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THE CLOSED SHOP —TO THE BAR

THE COURT'S OPINION ON THE RELATIONS BETWEEN EMPLOYER AND EMPLOYEE

The immediate condition that confronts the Nation is involved in deadlock of Industry. It is not a question of Capital and Labor. It is a question of American Liberty of action under the Constitution and statute laws. When any man, or class of men, intrude personal action contrary to legal right, the obligation of government is involved. Corporations, whether of capital or organizations of men, operate under legal rights and responsibilities. The function of judicial review is to put finality upon controversy. The employer and the employed are to the bar. What their status is and what the eventualities are are here set forth by learned authorities, interpreted in THE FORUM'S Editorial article presented herewith.

A JUDGE, whose decisions and opinions relating to the conflicts of labor and capital entitle him to respectful admiration for personal fearlessness and sound perception of such problems, made this very significant statement at the end of a long confidential talk.

"But, we've turned the corner in all this industrial upheaval of the Nation, because the courts, Federal and State, are bringing order out of chaos, in spite of dangerous demagogues in public office."

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Encouraging as it was to see the confidence with which he snapped out his words that they might echo, like the crack of the whip, something of the sting that was behind them, still, the shadows of disorder and strikes hung heavily in the news of the day. On these matters the talk veered, full of masked side-lights which His Honor flashed upon certain public men involved in the national history of internal economic strife, full of optimistic outlook, thanks to the bristling functions of court injunctions. And yet, though in the nature of a challenge to covert threats and open rebellion against law and order, the fundamental purpose of the talk was never absent, the purpose to meet the national conflict between industry and labor in a spirit of fairness to both sides.

SCRAPPING OF AMERICAN INDUSTRIES

THE human tide of public sentiment, said His Honor, was unerring in its ebb and flow, as dependable as the elements, in its obedience to common laws of the land. The question of the relations between employer and employee, having been mauled and rough-housed to the verge of complete collapse, has found itself compelled to take refuge in the courts. Under the guise of labor policy (involving the liberty of citizenship to unite in committee organizations for representation of just grievances), or under the guise of economic principles involved between employer and employee, the struggle for rights between capital and labor has become a tangle of violent strikes from which the entire country has been striving to extricate itself. Caught in a net, closely knitted together by certain skillful organizers, properly called agitators, whose jobs depend upon entangling the public rights of citizenship with a free and lawful conduct of their business, the great industries and even public utilities of the Nation have been economically scrapped, thrown into an unrecognizable mass of disordered machinery which threatens daily to cripple the freedom of American men and women to enjoy life, liberty and the pursuit of happiness.

The opinion of the Court about agitators was not so

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severe as the opinion of the public at large. The Court shrewdly observed that most of them were young, serious, enthusiastic men, usually intelligent, who conducted their fiery campaigns with a sincere ardor, bred of certain social ideals that were not in themselves criminal in character, though having a tendency to ignore existing laws. Behind the young firebrands who diligently spread their propaganda, stands the real conspirator of the great strikes, usually a shrewd middle-aged man, a well paid office-holder in the union. Of this phase of the problem, much more was said during THE FORUM'S confidential research of the Court's opinion of the operations of the agitators. At present, it is sufficient to bear in mind the significant fact, according to the Court's observation, that the agitator is the willing tool of the labor leader.

In this way there has rushed in upon the wide channel of commercial prosperity in the United States certain tributary currents of foreign source, which have created an agitating overflow. We have been inundated with an unlawful volume of muddy reasoning, of polluted advice, of open threats which have spread disorder and greed, with violence, East and West. In the midst of this seething upheaval of evil passions, deliberately created through secret agitation of private motives, the people must look to the courts of the United States for relief, for the reason and justice that will make the waters of discord recede, and reorganize the devastated region of strikes and disorder.

Not only is it incumbent upon the American people to obey the laws of the Constitution under which they enjoy their rights of citizenship, but it is also incumbent upon the courts of the United States to protect the national integrity of that Constitution from an invasion of their sacred responsibility to the people.

It is no longer an issue that can be clarified by voluntary arbitration conducted by free groups of men who under the guise of committees, representing theoretical views, or even practical demands, excite themselves in conferences without constitutional authority. The reading of learned

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papers, the signing of quasi-legal resolutions, the outpouring of oratory, spawned in the heat of argument, do not make towards a legal solution of the labor problem that confronts us. The most alluring aims of modern idealism have not surpassed the laws of the United States courts, no matter how sublime are the promises held out by those who would sustain such ideals by lawlessness. There is an honest way of conducting business, a fair adjustment to be made between unjust employer and employee, and when illegal methods are attempted the courts are the resort to prevent injury and often to right wrongs.

THE GREAT QUESTION AT STAKE

THOUGH, contrary to the custom of the Court, which arrives at its judicial opinions by a process of standards and decisions, steeped in the cleansing fluid of precedent, long established, these preliminary remarks were assumed by His Honor to be necessary, so that one might clearly understand the human attitude of a judge towards his judicial authority, towards labor issues that appear before him in court. It is a fixed principle of the Constitution that human rights are equal, which means, that any violent interference with individual rights established under the law is a violation of the common rights of all. There are no unwritten laws that are without remedy in the courts. There are no laws to protect the spirit of revolution, which is disobedience to the rights of one's neighbor. It is the question of mutual good will that is being agitated. Briefly stated, this question, which must be finally decided and acted upon by the United States courts, is:

Shall we have the Closed Shop or the Open Shop?

Practical illustrations of the confused impressions which this question has aroused in all degrees of national industry are plentiful. It has been answered with the hooting and rage of mobs, with incendiarism, attempted revolution, and murder. Property has been seized and destroyed by lawless persons, who, knowing they had no right to do so, none the less used force as a protest against alleged wrongs.

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Then, it has been answered with an obstinate calm and precision of opinion by capital that, in some cases, has been taken to be a challenge to the rights of labor to organize.

And then again, it is a question which, in its very element, breeds discordance of issues that lie deep in the heart of American liberty, issues which concern the legalized authority of unions, disputed issues between unjust employers as well as unjust employees which must be decided.

Reviewing the outcome of the question in all its aspects of menace, not only to the rights of labor, but also to the rights of capital (essentially meaning property rights), the duty of the United States courts is clear. Judges of the Federal courts are not policemen, nor have they the administrative responsibilities of the Government. Their decisions are rendered according to the rights of all citizens under the fixed standards of the Constitution they are sworn to obey, without favor for one over another. From their decisions the Department of Justice, or any other Executive Department of the Government, may take action, but, in the operation of those functions of an Administration appointed to maintain law and order in national affairs, the United States courts have no direct power. The influence of the courts to decide the right of claims properly brought before them is, however, an impulse to Federal action in all departments of the Government. It is therefore imperative, if we are as a nation to sustain a balance of national honor and liberty among ourselves, that we hearken to the laws under which the decisions of the Court are rendered with painstaking attention from the judges to their responsibility of office, rendered under the guidance of wise precedents amply confirming their decisions.

THE NATION'S TIME CONSTITUTIONALLY SET

WITH wild assertions that we are in a period of reconstruction, a creative state of national mind from which any expedient plans of reactionary thought may come into power, the courts have no affiliation. The speed of the period has not altered the clock-work upon which the Nation has, so far, kept accurate time. The standard time

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of the Nation was long ago constitutionally set. The courts are the time-pieces which regulate the hours and character of work and their productiveness, whether it be a matter concerning the duties which the men of capital or the men of labor must perform. Mistrust of the decisions of the courts undermine the economic principle under which industrial service, whether it be the service of capital or labor, must co-operate. Grievances should be confided to the courts. If we abide by their decisions, we can preserve the liberty of unionism as well as control the operations of capital. There is no better solution of unreasonable ill will between capital and labor, than sound judicial opinion of its grievances.

Strikes are not, in themselves, ingredients of revolution. The impulse of a strike is not a violation of the Constitution. A strike, peacefully managed, is the legitimate prerogative of employees to insist upon amicable settlement of a grievance that has not been adjusted by the employer, but the legal right to incorporate unions under the laws of the United States, recognized years ago, may have opened the eyes of shrewd labor leaders and demagogues in public office to the intrinsic power in unions. Something of the sort was foreshadowed in an opinion rendered by the Supreme Court of the United States in the Gompers case (221 U. S. 418-438), immediately following the resolution of the legal right to incorporate labor unions.

In its opinion the Court said:

> "But the very fact that it is lawful to form these bodies, with multitudes of members, means that they have thereby acquired a vast power, in the presence of which the individual may be helpless. This power, when unlawfully used against one, cannot be met, except by his purchasing peace at the cost of submitting to terms which involve the sacrifice of rights protected by the Constitution; or by standing on such rights and appealing to the preventive powers of a court of equity. When such appeal is made, it is the duty of government to protect the one against the many as well as the many against the one."

ARE CONSTITUTIONAL RIGHTS INVOLVED?

ALTHOUGH this opinion was rendered over eight years ago, in it rests an explosive forecast, hidden at the time

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when America was less disturbed about un-American theories than it is now. The opinion is informative because it clearly reveals the attitude of the Court upon unionization. There have been since but slight modifications of this judicial viewpoint, which in the main is prophetic of the problem which confronts the courts today. That problem, however, is much more complicated in its operation than it was at the time the Court foreshadowed it in his opinion. The entire agitation of this conflict between labor and capital simmers down to the question of constitutional rights as between employer and employee to conduct industries as an Open Shop or Closed Shop. When the same issue confronts employees of great utilities, conducted under the direction of Government influence, such as the railroads, the telephone companies, the telegraph, the shipbuilding companies, and similar public utility organizations, the situation becomes more involved. In a general way, however, it is an issue that has been fundamental ever since unionism secured the rights of incorporation. The present sensitive situation can be explained in this way.

Since the psychology of the war has inoculated the world with its virus of organized force against force, with its vast intelligence driving men forward to the trench line of life and death questions in economic ideals as well, unionism, emerging as a necessary ideal in the progress of economic principle, has developed a mass formation that, feeling the worldly advantage of its power, has neglected to reckon with the greater power of right, which lies with the courts. Without the authority of right in any country, disaster and revolution reign. The Court assumes, now, that such a crisis in America has passed and the reason for this opinion is reviewed here from unquestioned sources that, in themselves, point to a clear and unobstructed way out of the disorders that lie snarling and disgruntled at the heels of jurists and the Government.

FOUR THINKING, COURAGEOUS AMERICANS

IT is said that the turning point came when four men, leaders in national loyalty and thought, performed for

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the internal rebellion which threatened us what the soldiers accomplished at the Marne. Their separate action and individual opinion successfully barred the advance of mistaken unionism, massed threateningly against the laws of the Constitution.

These men were Governor Coolidge of Massachusetts, who established a precedent, splendidly sustained by the people of Massachusetts, by his constitutional decision and action in the Police Strike in Boston, declaring: "There is no right to strike against the public safety by anybody, anywhere, anytime . . . I can suggest no authority outside the Courts to take further action;" Judge Gary in his firm stand to decline recognition of any grievances submitted by labor committees not exclusively representing the employees of the United States Steel Corporation; Ole Hanson who, due to circumstances over which he had no control, nevertheless stood his ground with individual impulse of personal courage, and Judge Julius M. Mayer of the United States District Court of New York, in his handling of the transportation strike in New York and Brooklyn.

The issues confronting these men, in their various motives, differed substantially, and yet, each one of these strikes was met by each one of these four men with a united opinion that the rights of employer and employee were subject to such rights as the courts had prescribed, and to no other. They concluded that to intimidate an employer with threats to destroy his property, or to intimidate an employee with unfair wages, meant an overthrow of the integrity of contracts upon which the entire industrial machinery of the world depends. Contracts sanctioned by law must be protected by law, and it was their opinion that the public interest of a nation which failed to enforce such reasoning, would find itself at the mercy of disorder, mob violence, revolution, national annihilation. This, briefly, is the position of the Court towards labor disputes, and this was the tangible conclusion of these four men facing a demonstration of mass formation improperly called unionism, because the rights of labor to form unions also involves a peaceful conduct of those rights. The rights of labor to

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form unions and conduct them within legal limits has never been questioned. Nor should it be questioned, except when the methods of unionization descend to the verge of open conspiracy against order in the eyes of the Court.

To go back a little, we find that Justice Pitney's opinion, rendered in the Hitchman Coal Case in West Virginia (245 U. S. 229), furnishes as clear a definition of the rights of unions, their abuses, and their secret conspiracies to overthrow the rights of the employer, as any that has been rendered since. It contains such excellent food for thought concerning the present entanglements of the labor problem, that it has become a keystone which holds the bridge of reason and law firmly over the rapids of the present labor disorders.

UNION INTERFERENCE RESTRAINED

AN injunction issued by District Judge Dayton to restrain union interference with contracts entered into between the Hitchman Coal and Coke Co., of West Virginia, and their employees, to conduct an open shop, was sustained by the Supreme Court in an opinion by Justice Pitney. The plaintiff sued John Mitchell, the labor leader, individually, and officers of the United Mine Workers of America, which included leaders of local districts No. 5 and 6 of the U. M. W. A. A long list of union officers was included in the complaint, which set forth "that said defendants have unlawfully and maliciously agreed together, confederated, combined and formed themselves into a conspiracy, the purpose of which they are proceeding to carry out." The complaint declared this purpose to be—to shut down the mine, to render the plants idle, and thereby to injure its contracts, "until such time as plaintiff shall submit to the demand of the union to unionize the plant."

The usual demands which sustained the union policy of a closed shop were made, which practically compelled the plaintiff to employ only union labor subject to the orders of the union. The opinion of the Court based its decision for a restraining order upon various definite conclusions, all of which have a direct bearing upon the present cause of strikes. Selection of only those parts of Justice Pitney's

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opinion which illumine issues that are now uppermost in the free discussions of the labor conflict, will serve to make those issues clearer. The fact that the U. M. W. A. was a voluntary union, unincorporated, is particularly pertinent.

Defining the moral character of the union, Justice Pitney said:

> "The organization known as the United Mine Workers of America, and its branches, as conducted and managed at the time of the suit and for many years before, was a common law conspiracy in unreasonable restraint of trade, and also and especially a conspiracy against the rights of non-union miners in West Virginia.
>
> "That the defendants, in an effort to compel the plaintiff to enter into contractual relations with the union relating to the employment of labor and the production of coal, although having knowledge of express contracts existing between plaintiff and its employees which excluded relations with the union, endeavored by unlawful means to procure a breach of these contracts by the employees."

HOW A STRIKE MOVEMENT WAS ORGANIZED

THE system by which this interference with the employer's property rights occurred is expressed by the Court as follows:

> "The vice-president of a sub-district of the union visited the mines, called a meeting of the miners, and addressed them in a foreign tongue, as a result of which they went on strike the next day, and the mine was shut down."

In a short time, a self-appointed committee of the employees called upon the employer and confessed their unwillingness to remain on strike, further requesting upon what terms they could start to work. This was forced upon them, they said, because they were receiving no benefit from the union. They were re-employed not as members of the union, but, with the understanding that the mine henceforward would be run as a non-union or open shop, stipulating also that no man could retain employment if he joined the union. This was not an arbitrary defiance of the union, it was merely a condition of the employer's contracts with his employees.

The motive of this interference with these contracts appeared to depend upon other issues than those of benefiting the wages of the employees directly. Other properties

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adjacent in Ohio and Indiana being unorganized were regarded as a serious interference with the purposes of the Miners' Union to enlarge its membership, according to the report of John Mitchell, its president. The friction between the open and closed shops of various mines in that section of the country rendered it difficult for mine operators to maintain prices sufficiently high to grant certain concessions demanded by the union. The fact that no agreement had been possible concerning the wage scale, at a convention between operators and miners, in that mining section, precipitated a wide-spread strike involving over 400,000 mine workers. This strike was temporarily terminated by "district settlements." This disorder of unionism led to a large decrease in the membership of the union. The only remedy of this situation, so far as the union was concerned, was by them openly admitted to be—more strikes. It was a decision which, agreeing that strikes would be the only paramount force available, differed only in arguments as to whether such strikes should be nation-wide or sectional. These facts were amply secured by evidence, so that the Court had information that was indisputable proof of union conspiracy against the property rights of the employer. One of the officers of the United Mine Workers of America made the challenging statement that:

> "When we organize West Virginia, when we organize the unorganized sections of Pennsylvania, we will organize them by strike movements. No one has made the statement that we can organize West Virginia without a strike."

The purpose of this declaration confirmed the opinion of the Court that, in this case, conspiracy was proven. The motive of the conspiracy though based upon an economic problem created by a union philosophy of labor, that sees only the rights of the employee at any cost, was meant to relieve the union miners in the closed plants of Ohio, Indiana and Illinois from competition with the cheaper product of the open plants, the non-union mines of West Virginia. Consequently the "strike movements" began there, and the support of this strike was raised by assess-

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ments levied upon employees of the union mines in other States.

DEFYING AN EMPLOYER

THE methods employed by "strike movements," as demonstrated in this particular case, consisted of open defiance of the non-union employer. A certain employer, for instance, operating the Richland mine, was told that if he did not recognize the union, his mine would be shut down. In almost every specific case employees of the open shop were defiantly intimidated by agents of the closed shop. Union organizers were sent into the mines to conduct a campaign of organization, although such organizers knew that contracts existed between the employer of the open shop and his employees. This interference of the union organizers with those contracts were, as the Court expressed it, "a violation of the express provisions of the agreements" in operation in the open shop.

The methods of union organizers in conducting this "strike movement," as the Court reviewed them from full and indisputable evidence, were as follows:

> "The organizer proceeded to interview as many of the mine workers as he could reach and to hold public meetings in the interest of the union. There is clear and uncontradicted evidence that he did not confine himself to mere persuasion but resorted to deception and abuse. He prophesied, in such a way that ignorant, foreign-born miners, such as he was addressing, naturally might believe him to be speaking with knowledge, that the wages then paid would be reduced unless the mine was unionized. The evidence as to the methods he employed in personally interviewing the miners, is significant. A miner testified as follows:
>
> " 'He told me that he was a good friend of the superintendent and that the latter had nothing against having the place organized again. He said he was a friend of his, and I made the remark that I would ask the superintendent and see if it was so; and he said no, that was of no use, because he was telling me the truth.'
>
> "He did not confine his attentions to men who were already in the plaintiff's employ, but in addition dissuaded men who had accepted employment from going to work. He was careful to keep secret the number and names of those who agreed to join the union. It was testified that an employee, being asked to allow his name to be entered on a book that the organizer carried, tried to see the names already entered, 'but he would not show anything; he told me he had it, and I asked him how many names was on it, and he said he had enough to crack off.' To another employee, the organizer said, according to his testimony, that 'he was forming a kind

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of secret order among the men; he said he had a few men—he didn't state the number of them—and he said each man was supposed to give him so much dues to keep it going, then said after he got the majority he would organize the place.'"

So the "strike movement" was conducted at this mine with what is regarded as successful results so far as the ethics of the closed shop were concerned.

Although the union seems to have dodged the accusation that the rights of the property owner were threatened, that there was denied to the owner the constitutional protection by such methods of labor organization, of his right to enter into individual contracts with his employees, the Court clearly expressed the inequity of such conclusions:

"If there be any practical distinction between organizing the miners and organizing the mine, it has no application to this case. Unionizing the miners is but a step in the process of unionizing the mine, followed by the latter almost as a matter of course. Besides, the evidence shows, without any dispute, that defendants contemplated no half-way measure, but were bent on organizing the mine, the 'consent' of plaintiff to be procured through such a control of his employees as would render any further independent operation of the mine out of the question."

The incentive for the open shop is not inspired by any man in a sentimental mood of discrimination against unions, in the mind of the employer. It is a conflict of judgment based upon the costly experience of property owners with strikes and other labor interferences while attempting to "run union or closed shops." This, the Court stated, in his opinion in this case, "was as sufficient an explanation of a resolve to run non-union as anyone needed." Such justification, under the law, however, is needless.

The assertion that collective bargaining has its advantages to labor was dismissed by the Court in his statement that, "Whatever may be the advantages of collective bargaining it is not bargaining at all, in any just sense, unless it is voluntary on both sides."

UNION INTERFERENCE HELD UNLAWFUL

THE conspiracy charged by the Court in this case included also the assumption that unions have a right to invite men to join unions. The qualifications of the Court on this issue were definite and clear. The Court said:

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"Now, assuming defendants were exercising, through their organizer, the right to invite men to join their union, still they had plain notice that this mine was run 'non-union,' that none of the men had a right to remain at work there after joining the union, and that the observance of this agreement was of great importance and value both to the employer and employee and to its men who had voluntarily made the agreement and desired to continue working under it. Yet the defendants, far from exercising any care to refrain from unnecessarily injuring plaintiff, deliberately and advisedly selected that method of enlarging their membership which would inflict the greatest injury upon the employer and his loyal employees."

The attempt of the U. M. W. A. thus to enlarge its membership the Court further decided was not bona fide. The Court said:

"What the defendants were endeavoring to do at this mine and neighboring mines cannot be treated as a bona fide effort to enlarge the membership of the union. There is no evidence to show, nor can it be inferred, that defendants intended or desired to have the men at these mines join the union, unless they could organize the mine."

This brief review of the salient points of the Hitchman Coal and Coke Co. case, in West Virginia, serves to convey the impression that interference with contracts made between employer and employee is an act of conspiracy against the liberties of American citizenship, against the protection of property rights, and against the freedom of the employee to present his own case to the employer unfettered by union orders from which the employee has no escape.

The decisions of the courts are unanimously agreed on this point. It is on record, in innumerable cases, that wherever it appears that an outside union is endeavoring to cause the breaking by employees of their contracts of employment, that the courts can and should enjoin such union from that course of action. It has been conclusively so settled by the United States Supreme Court, by the principal State Courts of Appeal. A list of these cases in which such decisions were granted is available. The courts have negatived the moral right of unions to force an "unfair list" of employers which required members of the union, who might be employees of such employers, to quit their jobs, with the

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purpose of preventing those employers from conducting their business.

LABOR MUST BE VOLUNTARY

IT would seem that labor must be voluntary, and industry must be free to employ such labor, with the human alternative in case of unjust dealings on either side of the employment contract, for proper representation. Good will cannot thrive on coercion, and without good will no business can progress, no business can even exist. A contract is a property right, and the interference of a third party with the terms and conditions of that contract is forbidden under the laws of the Constitution. To quote the opinion of Judge Killits on this situation, in Stephens vs. Ohio State Telephone Co. (240 Fed. Rep. 759):

> "If a person knowingly and intentionally interferes with the express contract rights of an employer with his employees and the purpose and intent of such interference is to injure such employer and it does result in his injury, an action will be sustained to recover damages therefor."

The authority of a union to decide for its members whether an employer is conducting his business in an unfair manner and shall be penalized through certain demands from him made by that union, involving orders upon which he should run his business, is denied in Court decisions. In one instance an employer was informed that union foremen must be placed on every job in his plant for over a year, that the whole shop be cleaned out of the men who worked for him previous to the trouble, it being further stipulated that each foreman should have the power to employ and discharge at will without regard to efficiency, and that the cost of the work would thus be materially increased. This penalty was imposed upon the employer, not at the instigation of the employees who were perfectly willing to stay at work as before, but, being union members, they were called out on strike, and obeyed. The employer refused to follow the instructions given him by the union. The Court said, in this instance:

> "Where a strike, or other action, is threatened by a labor union in violation of its contract, or of the contract of its members with their employer, the jurisdiction of a court of equity to issue an injunction is well recognized."

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Briefly, it is a fixed principle of the Constitution as interpreted by the courts that the aid of equity is available to protect labor in their contracts of employment, as well as to protect employers in their rights under such contracts.

A PRECEDENT AS TO STRIKE MOVEMENTS

THE effect of "strike movements" organized by labor unions in public utility plants, has been defined by the decision of the Court in the case of Stephens vs. the Ohio State Telephone Co. (240 Federal Reporter, page 759). The Court in rendering an opinion, said:

> "The Ohio State Telephone Co. is a public utility. Its first duty is to serve the public. Its work meets a vital necessity. The right of its striking employees to 'interfere by lawful means' with its business, does not mean a right to cripple performance by it of its duties to the public, if it can find people willing to work for it. If labor can be had, the company must employ, and the strikers must permit it to employ and use, labor to perform its public duties, and anyone willing to work for it must be allowed by everybody entire freedom to do so. The public, having a great need for services of this character, offered by this public utility, has an enforceable right to demand these conditions of both the company and of those associated in controversy with it. This Court is empowered to say to the company: that it must meet its public obligations. Coupled with that power of the Court is the power and duty of laying its prohibitive and punishing hand upon anyone whose willfully unlawful conduct tends to render abortive the exercise of that power. We can no more say to the company that it must yield to the demands of its striking employees than we can say to them that they must meet the company exactions. The controversy must be carried on, on both sides, without substantial detriment to the company's public service."

This is a decision so pregnant with the position of the courts toward any "strike movement" that affects great public utilities that it establishes a precedent which applies vigorously to any future disorders in such industrial zones. The language of injunction orders is very specific, and, as a whole, it is obvious that the opinions of the courts do not favor "strike movements" conspiring under the pretense that they are to increase the membership of a union, or to strengthen the principle of force in labor against property rights. A general survey of this issue does not favor the procedure of unions bent upon creating a mass formation of union membership against non-union labor. The courts

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deny the right of interference, by organized forces in the closed shop directed against the employer's right to conduct an open shop if he desires, with the liberties of American citizenship to work out individually an economic salvation.

The foregoing judicial opinions sufficiently establish the precedents under which the present labor disorders can be adjusted by order of the Court. How well they apply to the immediate issues concerns the problem for which this article is written—to answer the national question whether in the future we are to have the closed shop or the open shop.

(*Concluded on another page of this issue*)

LIFE'S GRAY SHADOWS

By J. Corson Miller

Life flung us lilies, but we craved Love's wine,
In those dear lilac-dusks of long ago;
Blue moons of fragrant memory are mine:
The Spring's caress, your eyes, and sunset-glow.

Old starry griefs and laughter born of Youth,
I plucked for you, and wove into a song;
The magic fire that leaps to fondle Truth,
Once touched my lips, and made my spirit strong.

Too late to know what Love in silence sings,
My ears grew deaf to his immortal call;
The music dies, and only Sorrow clings
Around two hearts that still remember all,
As Life's gray shadows fall.

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THE TRIAL OF THE KAISER

FIVE GREAT POWERS TO BE JUDGES

By HON. ROBERT LANSING
(*Secretary of State of the United States*)

I HAVE a personal interest in the trial of the former German Emperor, because it was my lot to preside over the Commission on Responsibilities constituted by resolution of the Conference on the Preliminaries of Peace and charged, among other things, with a consideration of the action which should be taken in regard to individuals responsible for the war and for violations of the laws and customs of war.

The Commission consisted of fifteen members, two named by each of the following powers: the United States, the British Empire, France, Italy and Japan, and one member each for Belgium, Greece, Poland, Roumania, and Serbia. My American colleague was Dr. James Brown Scott. Sir Gordon Hewart, the Attorney General of England, and Sir Ernest Pollock, the Solicitor General, alternated with each other as head of the British delegation. Among the other members were the jurisconsults Larnaude of France and Rolin-Jacquemyns of Belgium, Mr. Politis, the Greek Minister of Foreign Affairs and the Right Honorable W. F. Massey, the Prime Minister of New Zealand.

The Commission took up its work through the medium of three sub-Commissions and after two months of deliberations submitted its report subject to certain reservations by the American and Japanese delegations which were set forth and explained in separate memoranda annexed to the report.

It was apparent at the very beginning of our sessions that certain members of the Commission were determined before everything else to bring the Kaiser to trial for a

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criminal offense before an international high tribunal of justice to be constituted for the purpose primarily of determining his guilt and imposing upon him a suitable penalty for his crimes. There were three charges which could be urged against him, namely, that he was responsible for the war, that he was responsible for the violation of the neutrality of Belgium and Luxemburg, and that he was chargeable with the flagrant violations of the laws and customs of war perpetrated by the armed forces of Germany.

THE KAISER'S CRIMINAL RESPONSIBILITY

THE first two charges were the ones which appealed most strongly to public opinion and aroused the bitterest indignation both in Europe and America. That any individual could plunge the whole world into such years of suffering resulting in the death of millions of human beings and the waste of billions of treasure, in the disorganization of society and the bankruptcy of nations, and go scot free outraged mankind's sense of justice. From everywhere arose the cry for vengeance. It was under this pressure of popular demand and handicapped by the announced purpose of certain of its members to punish the Kaiser that the Commission began its task of studying the question of his criminal responsibility. From every point of view the question was examined and the arguments for and against his trial were considered, but in the end it was unanimously decided that a report could not be made charging the Kaiser with legal criminality for beginning the war or for invading Belgium and Luxemburg. It was recognized that he had committed a great moral crime, an unpardonable offense against humanity, but the Commission was forced to find that there was no positive law declaring acts such as he had committed to be criminal and imposing a penalty on the perpetrator. The decision was reached with reluctance because of the firm conviction that the German ruler was guilty, although his guilt was not of a nature which could be declared and punished by a judicial tribunal.

The conclusions reached by the Commission read as follows:

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"1. The acts which brought about the war should not be charged against their authors or made the subject of proceedings before a tribunal.

"2. On the special head of the breaches of the neutrality of Luxemburg and Belgium, the gravity of these outrages upon the principles of the law of nations and upon international good faith is such that they should be made the subject of a formal condemnation by the Conference.

"3. On the whole case, including both the acts which brought about the war and those which accompanied its inception, particularly the violation of the neutrality of Belgium and Luxemburg, it would be right for the Peace Conference, in a matter so unprecedented, to adopt special measures and even to create a special organ in order to deal as they deserve with the authors of such acts.

"4. It is desirable that for the future penal sanctions should be provided for such grave outrages against the elementary principles of international law."

The report in this declaration emphasizes the respect of the Commission for the supremacy of law over the natural impulse to be avenged upon one who richly deserved to pay the penalty for his evil deeds.

The third charge as to "violations of the laws and customs of war" was the one on which an agreement could not be reached. The conclusion in the report is thus stated:

"All persons belonging to enemy countries, however high their positions may have been, without distinction of rank, including Chiefs of States, who have been guilty of offenses against the laws and customs of war or the laws of humanity, are liable to criminal prosecution."

By this conclusion it is evident that the Kaiser might be brought to trial before a court with criminal jurisdiction, although to establish his guilt as a violator of "the laws and customs of war or laws of humanity" would be no easy matter provided the principles of legal justice and the common rules of evidence were observed by the tribunal before which he was brought. That he should be declared innocent of the charge was by no means an impossibility, if his judges were impartial and not merely instruments of vengeance.

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RULERS EXEMPT FROM JUDICIAL PROCESS

TO this conclusion the American members of the Commission dissented, stating their position thus in their memorandum:

"The American representatives are unable to agree with this conclusion, in so far as it subjects to criminal, and, therefore, to legal prosecution, persons accused of offenses against 'the laws of humanity' and in so far as it subjects Chiefs of States to a degree of responsibility hitherto unknown to municipal or international law, for which no precedents are to be found in the modern practice of nations.

"Omitting for the present the question of criminal liability for offenses against the laws of humanity, which will be considered in connection with the law to be administered in the national tribunals and the High Court, whose constitution is recommended by the Commission, and likewise, reserving for discussion in connection with the High Court the question of the liability of a Chief of State to criminal prosecution, a reference may properly be made in this place to the masterly and hitherto unanswered opinion of Chief Justice Marshall, in the case of the *Schooner Exchange vs. McFadden and Others* (7 Cranch, 116), decided by the Supreme Court of the United States in 1812, in which the reasons are given for the exemption of the sovereign and of the sovereign agent of a State from judicial process. This does not mean that the head of the State, whether he be called emperor, king, or chief executive, is not responsible for breaches of the law, but that he is responsible not to the judicial, but to the political authority of his country. His act may and does not bind his country and render it responsible for the acts which he has committed in its name and its behalf, or under cover of its authority; but he is, and it is submitted that he should be, only responsible to his country, as otherwise to hold would be to subject to foreign countries a chief executive, thus withdrawing him from the laws of his country, even its organic law, to which he owes obedience, and subordinating him to foreign jurisdictions to which neither he nor his country owes allegiance or obedience, thus denying the very conception of sovereignty.

"But the law to which the head of the State is responsible is the law of his country, not the law of a foreign country or group of countries; the tribunal to which he is responsible is the tribunal of his country, not of a foreign country or group of countries; and the punishment to be inflicted is the punishment prescribed by the law in force at the time of the commission of the act, not a punishment created after the commission of the act.

* * * "The American Representatives also believe that the above observations apply to liability of the head of a State for violations of positive law in the strict and legal sense of the term. They are not intended to apply to what may be called political sanctions.

"These are matters for statesmen, not for judges, and it is

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for them to determine whether or not the violators of the treaties guaranteeing the neutrality of Belgium and Luxemburg should be subjected to a political sanction."

I wish to direct attention to this last sentence because the distinction between a political sanction and a judicial sanction determines the basis of the right to impose a penalty on the head of a foreign state.

A HIGH INTERNATIONAL TRIBUNAL RECOMMENDED

AS to all individual enemies chargeable with violations of the laws and customs of war and the laws of humanity, the report recommended the creation of a high international tribunal to try such persons as were not apprehended and tried before national courts of the Allied and Associated Powers, and who were selected for trial by a Prosecuting Commission of five members, one being named by each of the five principal powers.

The scheme thus proposed for the creation of a High International Court of Criminal Jurisdiction, with its complex machinery and necessity for national legislation to give it authority, to administer criminal laws enacted by various nations and also to interpret and apply the laws of humanity, was a novelty to which the American representatives refused to give full approval. Early in the discussions they submitted the following memorandum on the method which they favored for bringing to justice criminals of this sort:

"1. That the military authorities, being charged with the interpretation of the laws and customs of war, possess jurisdiction to determine and punish violations thereof;

"2. That the military jurisdiction for the trial of persons accused of violations of the laws and customs of war and for the punishment of persons found guilty of such offenses is exercised by military tribunals;

"3. That the jurisdiction of a military tribunal over a person accused of the violation of a law or custom of war is required when the offense is committed on the territory of the nation creating the military tribunal or when the person or property injured by the offense is of the same nationality as the military tribunal;

"4. That the law and procedure to be applied and followed in determining and punishing violations of the laws and customs of war are the law and the procedure for determining and punishing such violations established by the military law of the country against which the offense is committed; and

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"5. That in case of acts violating the laws and customs of war involving more than one country, the military tribunals of the countries affected may be united, thus forming an international tribunal for the trial and punishment of persons charged with the commissions of such offenses."

In their memorandum annexed to the report, the American representatives, for the sake of reaching an agreement, conceded the possible expediency of an international commission to pass upon the military crimes affecting the nations of more than one country, because, though it was not directly in accord with their idea of mixed courts-martial, it did not contradict the principle.

WAR ACTS INHUMAN BUT NON-JUSTICIABLE

THE American representatives did, however, oppose the extension of the jurisdiction of such a tribunal of offenses against "the laws of humanity" as was recommended in the report, first, on the ground that the submission to the Commission on Responsibilities by the Peace Conference was limited in terms of offenses against "the laws and customs of war" and, second, because the laws of humanity do not constitute a definite code with fixed penalties which can be applied through judicial process. The American Commissioners thus stated the second ground for their objection:

"As pointed out by the American representatives on more than one occasion, war was and is, by its very nature, inhuman, but acts consistent with the laws and customs of war, although these acts are inhuman, are nevertheless not the object of punishment by a court of justice. A judicial tribunal only deals with existing law and only administers existing law, leaving to another forum infractions of the moral law and actions contrary to the laws and principles of humanity. A further objection lies in the fact that the laws and principles of humanity are not certain, varying with time, place, and circumstance, and according, it may be, to the conscience of the individual judge. There is no fixed and universal standard of humanity."

The report of the Commission on Responsibilities with the reservations annexed, was laid before the Conference and received the immediate consideration of the Council of Four, or, as it is often called, the Supreme Council of the Allied and Associated Governments. The decision

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reached by the Council is contained in Articles 227 to 230 of the Peace Treaty.

Article 227 arraigns the former German Emperor for "a supreme offense against international morality and the sanctity of treaties" and provides that a special tribunal to try him shall be constituted, composed of five judges appointed respectively by the United States, Great Britain, France, Italy, and Japan. It also declares that the tribunal in its decision "will be guided by the highest motives of international policy" and shall "fix the punishment which it considers should be imposed."

EXPLAINING THE ARRAIGNMENT

MANIFESTLY the tribunal thus created is not a court of legal justice, but rather an instrument of political power which is to consider the case from the viewpoint of high policy and to fix the penalty accordingly. And this is clearly stated in the reply of the Council to the observations of the German peace delegates on this subject. The pertinent portion of the reply reads as follows:

> "They (that is, the council) wish to make it clear that the public arraignment under Article 227 framed against the German ex-Emperor has not a judicial character as regards its substance, but only in its form. The ex-Emperor is arraigned as a matter of high international policy as the minimum of what is demanded for a supreme offense against international morality, the sanctity of treaties and the essential rules of justice."

This course of procedure was in accordance with the suggestion made in the American memorandum that there might be a political sanction but no judicial sanction for the offenses of having caused the war and violated the neutrality of Belgium and Luxemburg.

Articles 228, 229 and 230 provided that persons accused of violating the laws and customs of war should be delivered up by Germany to be tried before national military tribunals of the Allied and Associated Powers, or, where the violation affected the nationals of more than one power, then before international military tribunals composed of members of the military tribunals of the powers interested.

The recommendation of the Commission as to a gen-

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eral mixed commission to try such cases was rejected, and the proposal of the American Commissioners in the memorandum laid before the Commission during its early sessions and repeated in its reservations was adopted by the Conference.

Furthermore, no jurisdiction was conferred upon any tribunal over offenses against "the laws of humanity" which have been, as I have indicated, vigorously opposed by the American representatives.

HARD TO STIFLE DESIRE FOR VENGEANCE

IT WAS by no means an easy task to deal with the question of expressing properly mankind's condemnation of the individual whose inordinate vanity and greed were chiefly responsible for the dreadful waste and misery which the world has endured and from the effects of which it will suffer for many years to come. It was difficult to subordinate the natural feeling of indignation and instinct to do vengeance to a cold, dispassionate consideration of the character of the Kaiser's acts and their relation to law and justice. Yet one of the reasons that our country entered the war was to bring lawlessness to an end. We believed that an undeviating respect for law is essential to the prosperity and happiness of society and that the rigid maintenance of the law, however distasteful it may be, is an imperative duty.

It was with a determination to follow these precepts, to treat impersonally and judicially the submission of the Conference, and to avoid being influenced by our own desires or by the pressure of public sentiment that we performed our duties as the American members of the Commission on Responsibilities and filed our reservations to the report of the Commission.

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The "Irreducible Minimum"

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CAPITAL GETS A NEW DIRECTOR

A GREAT INDUSTRY'S FORWARD MOVE

By EDWIN WILDMAN

HE stood just at the side of the open doors of one of the big drying-ovens in the factory. He was in his shirtsleeves and wore the emblem of labor—the close fitting black cap and visor—and was every inch a product of the kind of sweat-of-your-brow and work-with-your-hands labor that is spelt in these days with a capital L. Back of him were a half-dozen cutting machines manned by a dozen men of his type of varying ages working at high speed thrusting the product down a roller truck beneath the cutters and piling it high on carriers to pass into the dryers. Their intense activity attracted my attention, but I was now centering my interest in the man at my side—the foreman of the department, for he is a New Director in the Board of this $140,000,000 industry.

Thirty years ago he came to the factory as a boy. Today he is still working at day wages, and is the duly elected representative of 3000 laborers in the Cincinnati factory—one of the three plants that comprise the corporation which employs in all over 5000 male and female laborers. The other two plants are represented on the Board of Directors, each by one similarly chosen Director, making three, or one quarter of the total of twelve on the Board.

Fred Steingrube, for that is the new labor-representative director's name, is an American, a patriotic citizen who served upon numerous committees, the War Chest and Red Cross, during the war. He is also chairman of the Conference Committee of the employees. This Conference Committee is made up of forty-eight members, chosen by ballot, of the entire 2700 workers in the factory.

When the request came from the Top inviting the em-

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ployees to send to the Board a Director upon whom they would confer full powers and responsibilities, the Conference Committee resolved itself into a caucus and selected five candidates, three from men in the factory, not on the duly elected Conference Committee, and two from the factory Conference Committee already elected to that committee by the employees in the factory. These five candidates went before the 3000 employees as candidates.

LABOR GOES "ON THE BOARD"

IT was a great and significant occasion. It was the first time in American Industry that the employees, whether stockholders or not, were able to secure the direct representation of one of their number in the Board of Directors of a concern for which they worked. True, in this case, they had previously, through the medium of their Conference Committee, been able to lay their requests before the Board, but not through a voting mouthpiece chosen from among their own people.

Before this momentous event occurred, the Board of Directors had appeared to them a remote all-powerful body who acted, if at all, upon their requests in secret. Now, their deliberations were to be opened to them through the eyes of a man of their own shoulder-to-shoulder daily tasks; a man who walked among them, worked by their side and daily punched the clock and weekly drew his pay in the wage envelope. So they elected Fred Steingrube a Director in the Corporation, the market value of whose stock is today $140,000,000.

In the two other plants of this concern, at Kansas City and Staten Island, two other recommended Directors were chosen, Frank Sells, a pipe-cutter of ten or more years connection with the concern, and Carl Fink, a machine-shop mechanic, respectively. Both, like Fred Steingrube, were accepted at the stockholders' meeting and elected full-term Directors of the Company.

But let us return to the Cincinnati laboring-man Director, as it was with him I talked.

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Thirty years ago Fred Steingrube was thirteen years of age. He applied for a job for his hands and legs, for he hadn't much of an education. He came from the working class and he had to contribute his share to the weekly home chest. His job was to pack the commodity in trays and carry boxes from machine to machine. It took him some years to become foreman of the department, but he displayed qualities of far more importance to the men under him and to the other employees than his mere vocation suggests. He took an interest in his fellow workmen and was soon recognized by them as a leader and pleader whose voice carried to the man at the Top. He wasn't a militant leader, but he had ideas and sense and won the confidence of the employees. So he came to be a member of the Reviewing Board of the Pension and Benefit Plan and his work there for four years insured his election as chairman of the Employees' Conference Committee, to which position he was re-elected unanimously.

As he stood there in the great spreading factory, in the midst of its whirl and grind, I asked him some questions, for to me he was a most significant symbol in the turmoil of labor and capital that is testing out the democracy of industry.

A STRAIGHT-THINKING WORKMAN-CAPITALIST

DIRECTOR Fred is a tall, slightly stooping figure, his face gentle but his eyes keen and quick. His mouth is mobile, though straight lipped, and there is a touch of the dreamer about him that recalled to my mind the face of Henry Ford. His strength lies in his ability to think straight and to talk fair, though his words are not those of a scholar. There was no one but us two at the interview—we had no listeners.

"Are you a stockholder?" I asked him.

"Yes, I own ten shares." Ten shares in this company represent about $7500, paying 20% dividends.

"I owned more," he went on to say, "but I sold them to buy a home, which is all paid for."

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"What do the men think of having their representative on the Board?"

"They all like it—they feel better about things and have more confidence that they can get some things they want —not *demand*," he hurried to say. "I don't believe in that demand stuff. When we have asked for things, more wages, pensions, etc., and the Board couldn't give us our requests, they told us why and explained it and we were satisfied to wait. Though we got about everything we asked for—and sometimes more."

"Are the men satisfied with their wages?"

"All but the foreigners in the factory—and we haven't got many of them now. They come and go, Hungarians, Poles and Bulgarians, and they are not married—have no homes anywhere—just shift from one job to another, where they can for the time get the most."

"Have you unionism here?" I asked.

"No, our men never wanted it—they don't need it. Only a few belong to unions—some of the men in the machine and woodworking departments."

"What did the men say to you when you returned from the Directors' meeting?"

LABOR-REPRESENTATION IN MANAGEMENT GOOD

"THEY all wanted to know if the Directors kept anything from me. When I told them that I heard everything that was said and saw everything, and that there wasn't anything secret about it, they believed me, that they didn't think Mr. P— 'would put over anything like that.' They were satisfied, and they're more contented than they have ever been. I tell you, it's a great thing and it's going to be a great thing for the men and for everybody. Give the men a voice, let them elect a member of their own force and they'll talk to him. He can find out what's troubling them; he can tell the men at the top if they are satisfied and if they aren't satisfied they don't work as good.

" 'The recognition of the management of the right to labor representation in the directory of the affairs of the

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Company, is thought by all the employees to be the best move to bring the management and the workman to a common ground for the good of all'—That's what I told the Directors, and the employees all know that it is the Company's desire that every employee be given a square deal."

"Do you know the duties of a Director?" I asked.

"Well—" Fred hesitated. "Not very much yet, but I know they were anxious to hear what I had to say, and they treated me right and talked to me direct, but I'm studying up my duties and I'm going to be fair to both sides. That's what's needed—first know what they're thinking about and what they think is fair treatment, and then both be fair.

"You see, since the Conference Plan of Management has been put in force here, and the employees have had a representation in all things, a wonderful change has been made in all working conditions, and I know positively that each and every employee shows a great interest in their work and everything concerning the Company, knowing that they are directly interested and benefited by the increase of business. There are a number of important things which directly benefit each one of us as workmen. The Pension and Benefit Plan which protects us in case of injury, as well as illness, gives us 75% of our weekly earnings—the plan adding whatever amount is necessary above what is allowed by the State Compensation Law for injury, and is greatly appreciated by all. At the suggestion of our President, a special Relief Committee was appointed which takes care of all employees in need of financial aid to receive assistance without publicity, a feature which I know is appreciated above all others. The eight-hour law, the new stock proposition, the suggestion committee, the hospital, doctor and nurse, are only a few of the things which are all for the benefit of the working-man and his interest."

The face of the new Director beamed. His was the enthusiasm of an old employee who was satisfied that his thirty years of service had brought its recognition and reward.

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I shook the new Director's hand—this seven-thousand-five-hundred-dollar capitalist of the shop force, who owned his own home and represented labor on the Board—and his hand was as hard as any man's who had handled rough work for thirty years.

The heart of labor had come into its own—the man had stayed on the job. It is a new experiment in the common interests of capital and labor. It gives industry a new partner, for this man is one of three Directors represented in this industry of 5000 factory workers, *who own over $7,000,000 worth of the stock of the concern.*

POSSIBLE DANGER IN PLAN

BUT will it work? There are potentialities in the experiment that suggest complications. It does not follow that the innovation is applicable to every industry. That is not the point. Bad men may get on the Board. It does not follow that the impulses of labor are less self-seeking than those of capital. Labor may exploit its opportunity. Self-seeking leaders may take advantage of the opportunity to organize workers and send in Directors who are less interested in the Industry than themselves; men who when they get on the Board may utilize their advantage to secure trade secrets and ferret out certain weaknessess upon which they can play to their own advantage.

Therein lies danger, but, whatever its possible weakness, it is apparent that the concession to Labor is a step in Collective Bargaining that promotes a better relationship and a closer understanding. At least, that is the view of the Man at the Top of this industry.

Let us inquire of him and present his point of view, for he has opened the door, and in the most critical period of our labor controversies. In this instance the Man at the Top of this industry, which extends its activities in many States, is the Third Generation. His grandfather started the industry. His father carried it forward to success, and he has given it a world-wide reputation and introduced in the past thirty years many advanced labor ideas.

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He began at the bottom himself—a day laborer in the factory, before the ink was dry on his college diploma.

The Man at the Top is not a theorist, nor a business automaton without a heart. He has put his whole life in his work and his consistent endeavor has been to inculcate into the minds of his employees lessons of thrift and economic sense. He does not concern himself with their personal lives out of his factory, but believes that if men and women have the impulse, and practice saving and self-reliance, they will make for themselves good homes, become good citizens and good workmen. He believes that the point of contact between capital and labor is fairness of treatment, a square deal and a little more, good wages and a stimulus to save. These ideas he puts in practice.

ONLY ONE WAY TO INCREASE WAGES

IN his private office in the top floor of his city office in Cincinnati he told me of his point in view.

"There is just one way in the world that wages can be increased, and that is by greater production. We have anticipated the high cost of living by increasing wages in advance of needs, so that we have no problem there. Of course in our business the cost of wages is but a small percentage of the cost of product. Where the cost of wages is a large part of the cost of product, the problem may be different."

I asked him about his new labor Directors. Did he believe that, in taking on the Board a Director from the workers, he had solved the problem of discontent.

"No, not solved it, but it is a step forward. For years we have advanced a step at a time—profit-sharing, pension and conference plans, eight-hour day, higher rates of wages, premium plans, and now we are working out a new cost-finding plan."

"Do you contemplate complete co-operation of the industry?"

"That is not wholly possible from the factory viewpoint. We do not expect the new Directors to manage the

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Industry, but to represent labor's point of view. Each Director functions according to the interests he represents—and that brings Collective Interest—collective bargaining—into the Directors' meeting.

"When we went upon the eight-hour basis, and adopted the Conference Committee Plan, we did not expect that immediately upon the installment of the eight-hour day, with the higher rate of wages and the Conference Committee Plan, we could at once get production up to the point to justify the increase in wages and shorter hours. We did have in mind, however, that our action, taken in connection with the various other advantages that had been given the workers, would convince them of the sincerity of the Management and secure the full co-operation of the employees in any plan of increased output, even if the plan would, as it probably must and should, require greater effort, both physical and mental, upon the part of the employee, than they had been giving.

"I don't want to *give*, and would not *give* a cent more money for the same amount of product—our employees are not objects of charity. But I do want to give the employees such right and opportunity of *earning* much higher wages (through working with the interest, content and pleasure that a man gets in his work when he knows that he is receiving the full benefit of his own efforts) if it is in them to do so.

IS LABOR GETTING ITS REWARD?

"IT has been rather a popular thing to say that labor is not getting its just share of the product produced, when people have no basis or knowledge of any sort as to what share labor is receiving. A man should be very careful in making any such accusations which tend to create distrust and bitterness, unless he knows what he is talking about. As a matter of fact, according to the best available information, and the figure that is now being accepted by authorities on the subject, labor is receiving about 85 per cent of the total produced in the country. Eighty-five per cent of the national income goes to labor; the other fifteen

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per cent, or less than one-sixth of the total, goes to capital. I am inclined to think that this is a pretty fair division, because, you must remember that out of the fifteen per cent that goes to capital must be provided all the large charitable, educational and religious gifts, and all the funds out of which advances and extensions are made in existing plants, railroads, mines, etc., and the building of new plants, railroads, mines, etc., by which increased production for the benefit of the world is possible. I do not believe that these things can be taken care of with a smaller allowance than capital is being given. And, mind you, capital also must receive, in addition to the above, sufficient to induce people to save and accumulate capital.

"It is quite possible that men engaged in one line of industry may, by some means or other, get more than their share. They may be getting paid more than they produce. As an illustration: Railroadmen's wages have been increased very largely—whether rightly or wrongly, I do not pretend to say—but, if they have been increased to a point that is greater than they are entitled to by their production, then they are taking from others what rightly belongs to them, as the amount that can be divided among all of us is a fixed amount and dependent upon the amount produced."

CO-OPERATION AND SUGGESTIONS NEEDED

THESE are some of the things that this Man at the Top, a Captain of Industry believes, and practices, and says direct to his men in the factory:

"We want from our employees co-operation and suggestions, but they must realize that wages do not come out of the sky—that they come out of the amount of goods produced—services rendered, and that is the reason we have opened the door to the representative of our laborers, given them representation on the Board of Directors, that closer co-operation and understanding of the Management's problems may come home to them.

"We don't want to carry useless men on our pay-roll, eating up profits, ours and theirs, and we want them to

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realize it and to understand that when a man is dropped, he is dropped for inefficiency or because we do not need him."

The Man at the Top in this industry is Mr. William Cooper Procter, President of Procter and Gamble of Cincinnati, Kansas City and Staten Island and other cities. A graduate of Princeton, he became a soap boiler in his father's factory upon his matriculation from the University. His dream has been to bring about a better understanding between capital and labor, the employee and the industrial laborer. Today he is fifty-six years of age and his company hasn't had a strike in thirty-eight years. The verdict of the men in shirtsleeves in his concern is that he has given them a square deal—to use their own expression, "he has treated us right."

Just what treating labor right is, in this instance, is worthy of careful consideration, for it is from the example of such men that we must formulate our opinions and attitude toward labor, if we would advance and preserve the spirit of Democracy, fundamental in the American Constitution. Mr. Procter has met the problems of his labor as they have revealed themselves to him out of his experience.

THE PROCTER WELFARE PLANS

HIS successful handling of men has been based upon, primarily, sincerity of attitude, put into practice through various plans looking to the immediate and direct material welfare and contentment of his employees in the factories that comprise his expanding business. These plans have been rather widely heralded and it is not necessary here to go extensively into the details of their workings. Briefly, they consist of profit-sharing by means of a stock division. An employee, excepting the office force and salesmen, may buy stock to the extent of his first year's wages. The employee is credited upon this stock a yearly dividend of 20 per cent which goes toward the payment of the stock. Five per cent is held out of his wages against payment of the stock. At the end of five years an employee owns the stock and he will have paid out of his savings less

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than 20% of its full value. At the end of five years the employee may buy enough additional stock to bring his holdings up to one and one-quarter times his annual salary, providing his salary does not exceed $1500 a year.

He buys his stock at the quoted market value, and of course can add to his holdings additional stock bought on the market. However, after ten years, he may again buy extra stock of the company, to bring his holdings up to one and one-half times his annual salary, to be increased to thirty per cent, as long as his holdings do not increase his salary limit, and upon the profit-sharing plan.

THRIFT THE FUNDAMENTAL IDEA

THE fundamental idea is to inspire thrift, and to divide the stock among the laborers. Of this plan Mr. Procter said:

"We have never been forced to meet the question: What would be done in the event that no profits were earned or that a loss was incurred? We have told our employees that we would not expect them to share in any losses. We feel that even in the event of a year's business showing a loss, it would be an injustice to ask them to bear any proportion of it beyond the loss they already sustained during the year by giving the increased efforts and care for which they received no recompense."

The Pension and Benefit Plan provides for retirement on occasion of disability, temporary disability, partial disability, retirement on account of age limit, and death benefits. The limit of payment of pension is 75% of the wages received at the time of retirement, in any event not to exceed $1800 per year. To this fund the employees contribute an amount equal to $6.00 per $1000 of their aggregate annual wages.

The third plan that has contributed to the success of the company's relations with their employees, is the Employees' Conference Committee which provides for regular conferences between the employees and representatives of the Management. The employees' representative is elected

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by secret ballot, each representative being voted upon by a department of fifty or more employees. The elections are held annually.

In summing up this interesting working out of plans to meet labor half-way, to give it a hearing and a voice in Management where its interests are affected, Mr. Procter's plans have gone a step farther than perhaps is immediately feasible in all industries.

Mr. Procter is sure of the value of his tried-out plans and has confidence as far as the interests of his company is concerned, in the more advanced move of giving labor a Director in the Board. He does not, however, speak for others, but believes that every step that will inspire confidence, dispel suspicion and assure labor that it is getting its full share of productive industry, is the right step to make, even though it does not increase dividends.

"I am not afraid of labor's putting in a Radical Director," he said to me, his face lighting up with confidence. "I hope they will. I would like to meet him and I have confidence that I can do some good to labor by meeting and threshing out issues on his own ground."

That is the spirit of the Industrial Captain of today, and that is the spirit that will win, and solve the problems that confront us, if the basis sought is justice and fairness, not the self-seeking advantage of opportunity.

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THE SAFETY OF NEW-BORN DEMOCRACIES

By HERBERT C. HOOVER

"No contemporary can properly judge or balance the relative volume of great currents of social agitation. They are matters of mind and not of matter. Yet practical statesmanship requires that within our abilities a constant accounting should be taken of the tangible results of these forces abroad, if the development of our liberal institutions and progress of orderly government is to be maintained and revolution avoided.

"We shall never remedy justifiable discontent until we eradicate the misery which the ruthlessness of individualism has imposed upon a minority."

AS TO the impressions that I have gained during my service in Europe since the Armistice—two convictions are dominant in my mind. The first comes from contact with stupendous social ferment and revolution in which Europe is attempting to find solution for all its social ills by practical experiments in socialism. My conviction is that this whole philosophy is bankrupting itself from a startling quarter in the extraordinary lowering of productivity of industrial commodities to a point that, until the recent realization of this bankruptcy, was below the necessity for continued existence of their millions of people.

My second conviction is older but has been greatly hardened, and that is a greater appreciation of the enormous distance that we of America have grown from Europe in the century and a half of our national existence, in our outlook on life, our relations toward our neighbors and our social and political ideals. The supreme importance of this Americanism neither permits us to allow the use of this

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community for experiment in social diseases, nor does it permit us to abandon the moral leadership we have undertaken of restoring order in the world.

During the last ten months I and my colleagues have occupied a unique position in intimate witness of the social currents that have surged back and forward across Europe. The enemy collapsed not only from military and naval defeat but from total economic exhaustion. In this race to economic chaos the European Allies were not far behind. By this exhaustion, the whole of Europe stood facing a famine, the like of which has not been seen since the Thirty Years' War, when a third of the population died of starvation. In the midst of all this was the struggle of a score of new democracies to establish themselves, with friction along every frontier, and with the destruction of governmental institutions, without financial resources to buy supplies, with the miseries of their people offering fertile soil for every economic patent medicine and for all the forces of disorder, Bolshevism and anarchy, and, overhanging all, there could be no hope of restoring normal economic life until the completion of peace. In all this situation, with its desperation, greed, century-old animosities, its idealistic and proper aspirations, there was only one hope. That hope, expressed by every city and state, was that the American people, being the one disinterested and uncrippled economic and political force still existing in the world, should again intervene. It was in response to this call that the President took those steps which resulted in a practical economic organization of Europe, pending the consummation of peace and the arrival of the forthcoming harvest.

FEEDING THE WHOLE OF EUROPE

THIS second intervention was not a relief problem in the ordinary acceptance. It was not a problem alone of finding foodstuffs for starving populations of the ravaged regions. It was the problem of finding a large margin of foodstuffs and other supplies for the whole of Europe—Allies, liberated peoples, neutrals and enemies; and in a mass of at least two hundred million of these people formerly

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under enemy domination it was a problem of finding absolute economic rehabilitation. Further than this, it was a problem of warding off Bolshevism on one side and reaction on the other, in order that the new-born democracies could have an opportunity of growth.

Its practical consummation was a problem of the organization of the economic strength of the United States and its co-ordination with the remaining economic strength of Europe, and, in large areas, the imposition of absolute dictatorship over economic forces. Thus, the shipping of the world required sufficient co-ordination to transport thirty million of tons of supplies from all quarters of the globe to Europe. It required the provision of credits to those countries whose total exhaustion abolished all hope of normal payment. It required the insistence upon payment from those who had gold or commodities. It required sufficient co-operation of purchase in this vast quantity of supplies that the markets of the world should be affected in the least possible degree. With the dissolution of the organization of the old channels of communication, river craft and railway rolling stock was hoarded by each state; telegraph and postal communications were broken down; every frontier was the scene of more or less military friction, until at one moment there were twenty-five little wars in progress. Many of these new governments were without experience or even without the existence of departments for the conduct of either the transportation or distribution of supplies.

Thus, it was necessary to secure the erection within their governments of actual departments, to furnish them advisors, to take over the actual operation of thousands of miles of disintegrated railway system, to open rivers and canals for traffic, to stimulate the production of coal and other primary commodities, to control their distribution through large areas, to find a basis for exchange of surplus commodities from one state to another, to exercise the strongest political pressure to obtain the disgorgement of surpluses into areas of famine: to resort to barter on a national scale where currencies had broken down, to stimu-

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late peoples discouraged and disheartened to efforts in their own salvation, and finally, but not least, to intervene a charitable hand in the saving of their children and the stamping out of contagious diseases, and through all of this economic disorganization to inspire the maintenance of order on one hand and the defeat of reaction on the other. Beyond this again, the necessity of constant friendly intervention in frontier quarrels to prevent the starting of more wars.

AMERICA SAVES CIVILIZATION

THESE things have not been solved by the service or direction of any one man. They have been accomplished through co-ordination of the men of good will in twenty governments of Europe and throughout by creation of a thread of American personnel, directed from a single center. On our side it has required the co-operation of Congress, the Grain Corporation, the Treasury, the Shipping Board, the Army and the Navy. A thousand Americans were sent into these communities with but little authority beyond their own assurance and the confidence on all sides that they were disinterested, that their only desire was to solve a great and human emergency for no political and no commercial advantage. It was our desire to do this from the background, without ostentation, to act at all times through established institutions, to build up their strength for the time they must rely upon their own resources. I cannot pay enough tribute to all these thousand Americans, many of them engineers, men taken from the common life of the United States, thrust into the face of staggering political economic problems, the solution of which must affect the well-being not of hundreds but of millions.

This service of American people has been accomplished at no mean national sacrifice. From the Armistice to this year's harvest there have been furnished over two and a quarter billion dollars' worth of supplies, the majority of which has been given freely upon the undertaking of the assisted governments of repayment at some future date. There has been no demand of special security; no political

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or economic privileges have been sought. It may be years before we receive any return from these loans, but if that period should never come the American people, by this second intervention in Europe, have saved civilization, and have done so with no thought to the burden or cost to themselves. These matters have been brought to a successful close with the arrival of the harvest and the prospect of peace.

As the executive head of this Allied effort in economic control, I have thus had an intimate contact with the common people and their officials. I have witnessed their improving physical condition, the constant change of currents of social, political and economic forces, their revolutions, and I have had to deal intimately with the results of all these phenomena. During this period, since the Armistice, we have witnessed social and political revolution among one third of the civilized world, and we see the remainder in great social tribulation. No contemporary can properly judge or balance the relative volume of great currents of social agitation. They are matters of mind and not of matter. Yet practical statesmanship requires that within our abilities a constant accounting should be taken of the tangible results of these forces abroad, if the development of our liberal institutions and progress of orderly government is to be maintained and revolution avoided.

A CATACLYSM OF SOCIAL CHANGE

THIS cataclysm of social change in Europe is the result of the long cumulation of social as well as political wrongs, it is no sudden afterthought of war. These forces were projected into actual realization by the collapse of the war, the breakdown in the political institutions that had preceded it, and the misery that has flowed from it. Our soil is not so fertile as that of Europe to many of these growths, because we have a larger social conscience. We have not the vivid class and economic distinctions of Europe nor have we the depth of misery out of which these matters can crystallize. Nevertheless, in these days of intimate

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communication, social forces are rapid in their penetration, and social diseases are quick in universal infection.

The general revolution of Europe of the last century, starting with the French Revolution, profoundly changed the whole social order of the world, and, while in that revolution the spiritual impulse was the demand for political liberty, there was also a great economic impulse. That economic impulse was primarily the division of the land, and one of the fruits of that revolution was the better distribution of wealth among the agricultural population. Since that time an enormous expansion of mechanical industrialism has been superimposed upon all agricultural states, with a large increase in urban populations. The economic impulse of the revolution today is the demand for a better division of the wealth from this industrialism, and this time the agitation arises mainly from the urban populations.

These vast masses of humanity in Europe have long been groping for the method of nearer equality of opportunity and better distribution of the results of industrial production. These gropings and these attempts have in recent years been dominated by Marxian socialism, developed in different degrees of intensity. Broadly, these revolutions have taken two forms: the Bolshevik form, through which there has been overnight communization of all property, and second, the milder form of legislative nationalization of industry. I believe we are now in position to take some stock of and to form some judgment as to the adequacy of these solutions for what I believe every liberal-minded man believes is a necessity—the better division of industrial production.

DEMORALIZED INDUSTRIAL PRODUCTION ABROAD

WE require only a superficial survey to see that the outstanding and startling economic phenomenon of Europe today is its demoralized industrial production. Of the 450 million people in Europe, a rough estimate would indicate that they are at least one hundred million greater than could be supported on the basis of production, which

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has never before reached so low an ebb. Prior to the war, this population managed to produce from year to year but a trifling margin of commodities over the necessary consumption and to exchange for supplies from abroad. It is true that in pre-war times Europe managed to maintain armies and navies, together with a numerically small class of non-producers, and to gain slowly in physical improvements and investments abroad, but these luxuries and accumulations were only at the cost of a dangerously low standard of living to a very large number. The productivity of Europe in pre-war times had behind it the intensive stimulus of a high state of economic discipline, the density of populations at all times responded closely to the resulting volume of production. During the war, the intensive organization of economy and consumption, the patriotic stimulus to greater exertion and the addition of women to productive labor, partially balanced the diversion of man-power to war and munitions. Both the pre-war and the war impulses have now been lost and the productivity of Europe has steadily decreased since the Armistice.

It is true that some of this diminution in production has been contributed to by the other factors, but in the larger degree the cause of this steady decrease of productivity with its shortage of necessary supplies and its rising cost of living must be sought in the social ferment, with its continuous imposition of socialist ferment, with its continuous imposition of socialist ideas. In this ferment the advocates of socialism or communism have claimed to alone speak for the downtrodden, to alone bespeak human sympathy, and to alone present remedies, to be the single voice of liberalism.

We may examine these phenomena a little more closely. In Russia we have a great country in which the population, with the exception of a small minority, were comparatively well fed, warmly clothed and warmly housed. They were subjected to the worst of political tyranny, were deliberately steeped in ignorance and superstition, yet their productivity was sufficient to enable them to provide these primary com-

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forts and to export more foodstuffs than the United States. Socialism was brought in over night at the hands of a small minority of intellectual dilettantes and criminals, and this tyranny of minority, more terrible even than the old, has now had nearly two years in which to effect the conversion of the wicked competitive system into the Elysium of Communism. Today two thirds of the railways and three fourths of the rolling stock that they control are out of operation. The whole population is without any normal comforts of life and plunged into the most grievous famine of centuries. Its people are dying at the rate of hundreds of thousands monthly from starvation and disease. Its capital city has diminished in population from nearly 2,000,000 to less than 600,000. Prices have risen to fantastic levels. The streets of every city and village have run with the blood of executions, nor have these executions been confined to the so-called middle and upper classes for latterly the opposition of the workmen and farmers of this régime has brought them also to the firing squad in appalling numbers.

RADICAL CHANGES IN THOUGHT

IF we examine the recent proclamations of this group of mixed idealists and murderers, we find a radical change in their economic and social ideas. They have abandoned the socialization of the land, for they find the farmer will not produce for payment in high-flown and altruistic phrases. They have re-established a differential wage in an attempt to stimulate exertion and ambition of skilled labor. They have established a State Savings Bank, in order to stimulate production through making provision for family and old age. They are offering fabulous salaries for men capable of directing the large agencies of production. In fact, while in the midst of flowery verbal endeavor to maintain that they are still socialists, they are endeavoring to restore individual ownership of property and of the results of labor. The very High Priest of socialism is today vainly endeavoring to save his people from their total destruction by summoning back the forces of production. The apologists of

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this débacle are telling us that it is due to the Allied blockade, and to various other oppositions, but anyone with a rudimentary knowledge of Russia knows that they did have within their borders ample supplies of food, coal, oil, wool, flax, cotton and metals and the factories with which to work them in abundance, and that their sole deficiency is human effort.

We could take another example of Bolshevism in the efforts of Bela Kun and his colleagues in Budapest. The distinction between this situation and Russia is that they were dealing with a population of much higher intelligence, of much higher average education, and it required but three months for the working people of Budapest to realize the fearful abyss into which they had been plunged. It was solely due to the efforts of the trade unions in Budapest that the Bolshevists were thrown out of Hungary.

These are the extreme points where socialism has had its opportunity for immediate and wholesale application, according to all the precepts of its advocates. Elsewhere in Europe socialism has proceeded through established institutions and we may shortly examine the results here also. During the war large measures were taken on both sides of the front to secure the mobilization of production and distribution to its maximum use in the struggle. There was effective socialization of vast sections of industry. These measures are being continued and extended today in many places by governments anxious to maintain the stability of institutions even at the sacrifice of economic safety, but under the threat of minorities of revolutionary action. Yet here again the same prime weakness has proved itself. The only partial success of these measures in war was due to the great patriotic impulse of war. Those who conducted these large operations were men whose initiative and capacity had been selected by the competitive system. These war impulses have been lost, and these organizations with constantly decreasing efficiency even in war now face disaster from further reduced productivity. All these decreases have immediate results in a rising cost of living or the necessity of governments to subsidize commodities such as bread.

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SOCIALISM IS IN BANKRUPTCY

THERE is no better example of this than the coal industry of Europe, and, even omitting Russia, this production has fallen from a rate of 600 million tons per annum at the Armistice to a rate of 450 million tons recently. The coal industry is in modern life the very life blood of the state, and it has proved itself the most susceptible among all the industries to these influences, and its production today is at such an ebb as to jeopardize the entire social fabric. I am convinced that the greatest proportion of European leaders of socialism today to some extent realize this bankruptcy and are today endeavoring to cover the retreat with loud complaints as to the failure from other causes. Nevertheless, the realization itself is a great step and is bringing the turn of the tide and through it Europe is on the road to economic recovery—if she gets peace.

The whole of these various sorts of socialism are based on one primary conception, and that is that the productivity of the human being can be maintained under the impulse of altruism and that the selection of the particular human for his most productive performance can be made by some super-imposed bureaucracy. Their weakness is the disregard of the normal day-to-day primary impulse of the human animal, that is, self-interest for himself or for his family and home, with a certain addition of altruism varying with his racial instinct and his degree of intelligence. They fail to take into account, also, that there is but one sufficiently selective agent for human abilities in that infinite specialization of mind and body necessary to maintain the output of the intricate machinery of production, and that is the primary school of competition. My emphatic conclusion, therefore, is that socialism as a philosophy of possible human application is bankrupted.

Although socialism has now proved itself with rivers of blood and suffering to be an economic and spiritual fallacy and to have wrecked itself on the rock of production, I believe it was necessary for the world to have had this demonstration. Great theoretic and emotional ideas have arisen

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before in the world's history and have, in their bankruptcy, deluged the world with fearful loss of human life. A purely philosophical view might be that these experiences are necessary to humanity, groping for something better. It is not necessary, however, that we of the United States, now that we have witnessed these results, need plunge our own population into these miseries and into a laboratory for experiment in foreign social diseases.

THE PRIMARY QUESTION STILL UNSOLVED

BANKRUPTCY of the socialist idea, however, does not relieve us from the necessity of finding a solution to the primary question which underlies all this discontent. That primary question is the better division of the products of industry and the steady development of higher productivity. This bankruptcy of the socialist idea should, if reaction is to be prevented, return the guardianship of this problem from the radical world to the liberal world of moderate men, working upon the safe foundations of experience.

The paramount business of every American today is this business of finding a solution to these issues, but this solution must be found by Americans in a practical American way, based upon American ideas, on American philosophy of life. A definite American substitute is needed for these disintegrating theories of Europe. It must be founded on our national instincts and upon the normal development of our national institutions. It must be founded, too, upon the fundamental fact that every section of this nation, the farmer, the industrial worker, the professional man, the employer are all absolutely interdependent upon each other in this task of maximum production and the better distribution of its results. It must be founded upon the maximum exertion of every individual within his physical ability and upon the reduction of waste both nationally and individually. We can well see a vivid confirmation in Europe of the fundamental economic principle that the standard of living and the cost of living is the direct quotient of the amount of commodities produced; that we must secure a maximum

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production of the industrial machine if we wish to keep our population alive or if we wish to see an increase in the standard of living of our people. From this only can arise the very foundations of the higher activities of life. The application of this proposition must, however, stand several tests. A maximum production can only be obtained under conditions that protect and stimulate the physical and intellectual well-being of the producer. We shall never remedy justifiable discontent until we eradicate the misery which the ruthlessness of individualism has imposed upon a minority.

CHRIST MILITANT

By DANIEL HENDERSON

For us, this Christmas-tide,
A Christ full-grown!
The thought of Behlehem's Babe
We still enthrone,
And with the Magi bring
Our offering!
Chime on, exultant bells!
Ascend, sweet canticles!
Long may thanksgiving for Messiah flow
From that blest midnight, centuries ago!
And yet—we need the Nazarene's full power
To rule our spirits in this evil hour:—
When War will not retreat,
Or Peace draw nigh!
When Righteousness seems near to her defeat!
When battles shift,
And cliques and classes lift
The bomb and blade and hatred's horrid cry!
Walk, Master, through our brawling market-place,
And lay Thy scourge upon the souls of those
Who, seeking self, betray the struggling race—
Counting their spoils while mankind weighs his woes!
Where Law breaks down; where anarchies assail,
Lift up Thy lash—and let Thy will prevail!

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IT'S SUCH A SIMPLE PROBLEM

By LEWIS ALLEN BROWNE

SEATED in a corner of the billiard room of the Men's Club, out in our little suburban town, I was staring hard at a tall, frigid horse's-neck, trying to imagine, with the aid of mental science, that it was quite as full of kick as in the good old before-the-drought days.

But somehow that lemon peel and that all too limpid ginger ale couldn't be mental-scienced. Even the ice in the glass didn't seem to have the same "clink" and as I sat thus Doctor Cobleigh joined me.

"The drys will come to order as soon as there is a quorum," I told him.

"You couldn't make me laugh," he retorted cynically.

"Not in this made-safe-from-drink world," I assured him. Smithkins arrived next and drew up a chair.

"Why peeved, friend Cobleigh, and the owner of a new fall suit?" ventured Smithkins.

"It's enough to peeve about," growled Cobleigh.

"Wouldn't the tailor trust you?" softly inquired Atkins.

Cobleigh picked at the lapel of his coat and scowled at it. "Do you know what I used to pay for a suit of this quality?"

"Then you used to pay for them—"

"I paid for this," he snapped, glaring at the facetiously inclined Smithkins, "and exactly twenty dollars more for it than I paid for one only a month ago—"

"Two suits a month!" I howled. "Outrageous! I shall suggest a Nineteenth Amendment prohibiting—"

"We've had too much prohibition," groaned Atkins, "don't interrupt. I think Cobleigh is about to expound some panacea for the ills of humanity."

"I am if I can find anyone with sufficient brains to listen," he glared as he spoke.

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"That lets some people out," declared Smithkins, staring hard at me. But Cobleigh went on with his story.

"Not much more than a month ago I bought a suit of Weeks, the tailor on Main street, and he made it up for me for $45. This suit he has just made cost me $65, and the tailor admits that it is the same quality of cloth."

"Anyone who can afford two suits in a month can afford to pay the price. That's the way your tailor figures it," commented Welles. Quite a crowd had gathered by this time.

"There's where you're wrong—it isn't the way he figures it at all," patiently explained the Doctor. "He has one cutter. Last week that cutter struck for an increase of $14 a week. He's the reason I pay more for my clothes."

SMITHKINS SEEKS A SOLUTION

"THE tailor was easy to give such an increase," declared Smithkins.

"I suggested as much, but Weeks, the tailor, said his man was mostly right in demanding the increase, that he couldn't get another cutter, that he was already behind in orders and that he would lose money if he refused the increase and let the man go."

Doc. Cobleigh sighed as he finished speaking, and looked ruefully at his new suit.

"Looks as if *you* were easy, not the tailor. He simply passed the buck to you," commented Atkins.

"Double your fees next time some member of the tailor's family is sick," suggested Welles.

"Isn't that just like a profiteer?" suggested Fuller, who had been listening without comment. Welles was the wealthy member of the club. "If somebody gouges you a nickel, gouge the next man a dime!"

"You have the prevalent idea," grinned Welles, lighting a 40-cent perfecto.

"You know we cannot increase our fees," protested the Doctor, "because people won't stand for it and we'd be called all sorts of robbers, gouging the sick and dying—"

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"I've got it!" shouted Smithkins, who had been in a deep study.

"You may have it, but you won't keep it long, these days," murmured the still despondent Doctor.

"You said this workman for the tailor has a good reason for demanding a big increase in pay. You said his boss admitted it. Very well, let's take that for granted. But the fact remains that somebody is gouging in a most outrageous way. It is such a simple problem to solve. Just as forestry-men spot smoke and trace the fire, I propose that we run down this mystery right now, today, and place the blame where it belongs," continued Smithkins.

"I propose that we put you in a strait-jacket—you'll need one if you attempt the job," growled Welles.

"I tell you," reiterated Smithkins, "that it is a simple problem and that I can solve it. Listen—here is this man Weeks, the tailor," Smithkins held up his finger, "and here is his employee," he held up another finger, "now there must be another man who is gouging this employee, which makes the employee gouge the tailor," up went a third finger, "and so we'll just go down the line and trace this thing to its source. We'll find out what crook is boosting prices everywhere. Look at Doc. Cobleigh here, he has to pay $20 more than usual for a suit of clothes—I say he's gouged twenty. What can he do? He must live. He'll be tucking a few more dollars a visit on his bills and we'll have to pay, you and I and other family men. But if you'll just help me get after this simple little problem in my own way I'll soon have it solved."

WE START WITH THE TAILOR'S MAN

"PUT it in a book," suggested Welles.

"Play it on a ukelele," was Atkins' advice. I merely begged Smithkins to set it down in free-verse form. But Smithkins was far too serious to pay any heed to any of these friendly suggestions.

"I'm going to start now," declared Smithkins.

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"I'm going to go along as your legal adviser," Atkins announced.

"That seems to be a call for me. I'll join as first-aid," Doc. Cobleigh said. Then he turned to me. "Come along as historian—"

"Good Lord, no, I don't want to read any more of his libelous stuff about me," groaned Smithkins.

"Now look here," argued Atkins, "you say you are going to solve this little high-cost-of-everything problem. If you do you'll be famous. Come along," he said to me and linked his arm in mine.

Without a backward look, without a regret, I left the horse's-neck on the smoking-stand and followed out to the car. It was Atkins' car. Atkins touched his hat in mock deference to Smithkins, and asked, in his meekest voice, "Where to, sir?"

"You can kid me if you want to," growled Smithkins, "but you'll all be tipping your hat to me before the day is over. James," he spoke sharply to Atkins, "to the tailor shop of Mr. Weeks on Main Street."

"Very good, sir," mocked Atkins, and we were off. Smithkins was serious. The rest of us wore broad grins. At the tailor shop Mr. Weeks greeted Cobleigh with, "Some friends of yours want suits, Doctor?"

Cobleigh explained that Mr. Smithkins would have a few words with Mr. Weeks' employee. The man came out, looked at us suspiciously, looked more suspiciously at the cigar Smithkins handed him—and waited.

"Your boss just gave you a $14 a week raise, Mister er—er—"

"Name's Hobbs," grunted that gentleman.

"Ah, yes, just so, Mr. Hobbs. Now will you oblige me, in the interest of the entire community, by explaining why you needed an increase of $14 a week?"

"None of the community's business," promptly retorted Mr. Hobbs and he turned back. Smithkins caught his arm and explained that he was attempting to solve a little problem and that he needed the help of such promi-

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nent and upright citizens as Mr. Hobbs. This did the trick. Hobbs nodded gravely, wrinkled his ivory brow in an attempt to imitate Rodin's "Thinker," and then informed us:

SHOES FOR NINE COST A FORTUNE

"IT'S like this. I gotta fambly. There's seven boys and three girls, and nine of 'em can walk."

"Remarkable," breathed Atkins.

"But—er—just why should your employer be held responsible for—what I mean is—" Smithkins hesitated and coughed.

"Shoes?" grunted Mr. Hobbs.

"Yes?" pleasantly inquired Smithkins.

"Nine of them ten children wear shoes. Th' tenth ain't old enough to walk yet. Six of my children wear shoes as costly as grown-ups. It costs me about ten dollars a pair for most of 'em and it seems to me them kids is wearin' out about two pair of shoes a week between 'em. They ain't a week passes but what I hafta go out and dig up the price of a pair of kicks for one of 'em. So I just went to th' boss and told him I hadda have twenty bucks more, but he said he'd—er—Oh, yes, he said he'd compromise me for $14, and I was glad to have him. That's why I hadda have a raise."

"We thank you, Mr. Hobbs, and now where do you buy the shoes?"

"Harriman's shoe store, down on th' corner."

Again we thanked him.

"To Harriman's shoe emporium, James," chortled Smithkins, now hot on the trail. When we got there and got in conversation with Harriman, whom we knew to be a good citizen, he took no offence whatever at our questions. He admitted to Smithkins that he charged about twice what the shoes cost him.

"Then you're the guilty party responsible for gouging Doc. Cobleigh here an extra twenty for his suit," charged Smithkins, sternly.

"Now see here, Smithkins," began Harriman, "you

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look considerably like a human being, but you don't talk like one. I find it necessary to ask what I admit to be extremely high prices for my shoes because the rent on my store has been boosted almost double and I cannot make a living selling shoes at the old prices. You get Folsom to cut down my rent to the old figure and I'll drop the price of my shoes."

"Fair enough," suggested Cobleigh. Harriman grinned and Smithkins scowled.

"You've got a good argument, Harriman. I'll get after Folsom," and so we drove on to Jacob Folsom's office. Folsom told Smithkins it was none of his so-and-so business about what rent he charged. Smithkins murmured something about profiteers and a public investigation and some newspaper publicity, whereupon Folsom became nervous and communicative.

PASSING THE BUCK AGAIN

"INVESTIGATE Collins, not me," he growled. "I had to put up brick fire-walls on both sides. Say, do you know bricklayers get $10 a day? Yes, sir, and the cost of trucking, the cost of bricks, the cost of—oh, everything. Why, Smithkins, if I'd let Harriman occupy the store after that, at the old rate, I wouldn't be getting tax and interest money out of it, and I'm not renting my buildings for the exercise I get walking to collect it. If Harriman thinks he can get me to lower my rent by any such a measly trick as this—"

Smithkins explained cheerfully enough that he, not Harriman, started it. He also explained that he was now solving the little problem of the high cost of everything.

"You are, eh? Solving that little problem, are you? Just like that?" and Folsom snapped his fingers airily and winked at me.

"Oh yes, and I'll have it solved in no time. Watch me," Smithkins assured him, climbing back into the car.

Collins admitted that he was charging about three times as much as he used to for construction work.

"My men simply have to have it. If I don't pay them some other contractor will, and good masons are scarce

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enough as it is. Take Pudgley, for instance, one of my steadiest workmen, he tells me, and I believe him, that he cannot support his family on less than $50 a week and even at $10 a day, with so many days too stormy to work, he has a difficult time of it. I'd like to put up buildings at just half what I charge now, but I'm no bank or philanthropist. I didn't soak Folsom. I charged him a fair, living profit."

"What Collins says, goes with me," declared Atkins. "I've known him all my life."

"Thanks," said Collins.

"Thanks," said Smithkins, and started to go.

"When you get this thing solved, call me up and if I'm not too old and feeble to understand, I'd love to know the answer," Collins said to Smithkins.

"Humph, I'll have the solution before dark," Smithkins assured him. Collins tapped a horny forefinger on his sunburned forehead, significantly, and we started out to find one John Pudgley, Esquire, bricklayer by profession.

We found him sitting on the sunny side of a pile of bricks where an apartment block was going up. He was searching through a generously-built leather luncheon-box. It contained an expensive thermos bottle, it contained cold meats, pickles, sandwiches, cake, fruit and other delicacies.

NOW IT'S THE MILKMAN

"YES, I get ten a day when I work. I'm worth twenty. Don't know how long I can pull through at this miserly pittance—" Pudgley had doubtless heard that word frequently in labor talks—"and I orter have at least fifteen bucks a day. It's hard work, skilled labor and—"

"Yes, yes, we know that, Mr. Pudgley, but what—er—do you do with your surplus?"

"Sur plus what?" asked Pudgley, with his mouth full of cold ham that cost at least 80 cents a pound.

"He means with the money you have left over," explained Doc. Cobleigh.

"Left over?" yelled Pudgley, scattering crumbs as he

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shouted, "there ain't no such thing. Look here, what's your game?"

Smithkins explained as well as possible. Pudgley understood readily enough.

"You can't pass no buck to me, I'll tell the world fair, Mr. Smithkins. Say, it costs me $2.80 a week just for milk alone, and lots a times it costs me $3. The milk costs me 20 cents a quart. Think of it—robbery, and it's only one item. Gosh, when you gotta bunch of healthy little kids you gotta feed 'em milk, ain'tcher?"

None of us could dispute it.

"Them milk people know it and so they just tuck on th' price. You know—take-it-or-leave-it is their come-back when we kick. No sir-ee, Mister Smithkins, you ain't goin' to pass no buck to me."

"Right-o, John," heartily agreed Atkins. The rest of us felt the same about it.

Smithkins got the name of the milk dealer and we headed out into the country to Starlit Farm where we found the proprietor, Mr. Larkin, as wet as a mermaid, washing his delivery wagons.

"What's the big idea? Thought you bloated milk-trust magnates sat on a throne and were fed nectar out of a golden spoon," I shouted. I knew Larkin fairly well.

"Huh?" was his startled come-back.

"What's the matter with your delivery men keeping the wagons clean?"

"Wha-a-at? Where you been living late years? Why, a milk-delivery man is a milk-delivery man, if you get what I mean. His job is to deliver milk, not wash wagons. If I could afford to hire a washer—"

SAUSAGES LIKE DIAMOND STICK-PINS

"STRIKES me that your getting twenty cents a quart gives you sufficient profit to enable you to hire a common laborer to do that work," declared Smithkins.

"Strikes me that you know about as much about the milk business as a gold-fish knows about flat feet," retorted

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Larkin. "First, there's no such thing as common labor. Then again, I'm practically losing money now. Do you know what my delivery men are getting? Forty a week and they're planning to strike for fifty a week. Some of 'em are getting more right now. If you've formed yourself into a committee to come out here and give me a song and dance about starving the innocent children you can go right back and tell it to Sweeney"! and Larkin, red with anger, swashed the hose about in a rather dangerous way. Smithkins hastily explained, as he dodged the stream of water back and forth, just what he was up to.

"What in thunder do they do with so much money?" asked Smithkins.

"Am I my delivery-men's keeper? How should I know? It's the same old wail—say they can't live. Fur's I'm concerned I ain't asking they should. I'm going to quit this and go into rag-picking or some light clean occupation where I can make a living."

We drove part way back and found one William Snodgrass, who for seven years had driven a milk-delivery wagon, arising at 4 A. M., getting back at noon and having the remainder of the day for himself.

"Sure, we should have fifty bucks. Why not? Who wants such a job as ours? And how far does fifty dollars go when it costs thirty cents a pound for chuckmeat so tough a stone crusher couldn't make a dent in it? You'd think sausages was diamond stick-pins and as for real meat, fit to eat, well, 48 cents and up, and with a lot of meat-eaters in my family, my salary just about pays the butcher bill alone. You see—"

Mr. William Snodgrass was gently interrupted and asked the name of his market man.

"Hicks, on Washington Street. Now listen, every day when I get ready to come home I go into Hicks' place and I says, 'Mr. Hicks, gimme a nice sirloin,' and he does, and what do you suppose it costs me? Oh, I just get a mouthful for about two and a half, and then again—"

We left Mr. William Snodgrass gesticulating and talking. As we rounded a corner fully an eighth of a mile away

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he was still at it. Smithkins was looking grim again. It seemed as if we were in for something that would keep us going on and on through eternity. Smithkins leaned over and tapped Atkins at the wheel.

THE EVER-READY ALIBI

"JAMES, to the market place of Mr. Hicks," he murmured, a trifle huskily. Doc. Cobleigh winked at me jovially.

"Now we've got the right party," declared Smithkins. "Follow me in and listen. I'm going to talk to Hicks like a Dutch uncle."

At the more or less fresh meat emporium of Mr. Oliver Hicks that gentleman came forward with a smile.

"What can I do for you, gentlemen?" he asked.

"You can drop your prices about forty per cent, sir," thundered Smithkins.

"Like Halifax I can," retorted Mr. Hicks. "What is this—another one of those fool investigations? If so, there are my books and welcome. Don't forget to add to my overhead expenses the wages of three adult and two boy delivery men. I pay $35 a week to my drivers, and I have to pay ordinary little runts of empty-headed, freckle-faced, forgetful kids, who deliver on bicycles, $18 a week and keep their bicycles in repair. Furthermore—"

"But you let your delivery men have their meat at cost, don't you?" broke in Smithkins, getting rather red.

"They're all single and board out. Here they come now, all three. Hey, boys," and Hicks called over his three drivers.

They were pleasant-looking chaps, all under twenty-five. Mr. Hicks introduced them, Peterson, Kellog and Smith.

"These gents," said Mr. Hicks, indicating us with a jab of a knife-scarred finger, "want to know what you young fellers do with all your money."

Smithkins hastened to assure them that he wasn't prying into their affairs at all. Once more he repeated his

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story. The young men were somewhat aggressive. They exchanged glances of amusement at first, then Kellog turned on Peterson and said, "Shall I tell him?"

"Uh, huh. Shoot," said Peterson.

Kellog winked at Smith, then turned a very serious face to Smithkins.

"It's like this," he said, "there's my summer place at Newport, my town house, my flock of limousines, my—"

"Come, come, don't be offended," begged Smithkins, "we are simply trying to remedy what appears to be an injustice in the matter of a general overcharge for everything." Once more he went into detailed explanation. Smith was inclined to show symptoms of understanding.

WE COMPLETE THE CIRCLE

"FAR'S I'm concerned, I'm in love with a certain girl and darned proud of it. I'm going to marry her. Just now I'm courting her—"

"All right, Smithy, I'll back you there. Me and Kellog's in the same boat—only we each got different girls, you understand—am I right?"

"Right," grinned Kellog.

"But what—I don't exactly see—" Smithkins stammered.

"When you went courtin' did you wear your overalls and jumper? Did you wear last year's hand-me-downs, or did you doll up to a fare-ye-well?" demanded Smith.

Smithkins grinned.

"Boys, I dolled to the limit. I put on all the glad rags I could collect."

"Uh, huh. Sure you did. Well, so do we. And we can't afford to buy decent clothes to go courtin' in unless we get good wages, and if we don't go courtin' and get married and raise families, meaning every young feller, what's to become of this here country? And if that darned tailor didn't soak us sixty good bucks per each for glad rags, we could probably work for less."

"That's dead right," agreed Kellog and Peterson.

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"I see," said Smithkins, "and —er—where do you get your suits?"

"Tailor on Main Street," answered Kellog, "named Weeks!"

* * * *

Smithkins took us over to his garage where he has a little stuff stored that isn't quite as high proof as gasoline or insipid as horse's-necks.

"As for you," he said, as he handed me the tin cup, "if you write a single word of this damfool ring-a-round-a-rosy we've been through, I'll never invite you here again."

But his threat could not deter me. Besides, we finished poor Smithkins' last bottle on that occasion, as a sort of toast to "Smithkins' Solution of a Simple Problem."

HAVE WE FORGOTTEN?

By CLINTON SCOLLARD

At Bethlehem, upon its height,
The quiet stealing on of night.

At Bethlehem a radiant star
Poised in the purple voids afar.

At Bethlehem a manger bare;
A little stranger lying there.

At Bethlehem three travelers lorn
Bowing above the Babe new-born.

At Bethlehem the soaring hymn
Of the exalted seraphim.

At Bethlehem "Peace! Peace!" they say;
Have we forgotten it today?

Would all the world might know the gem,—
The perfect Peace of Bethlehem!

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"EVERYBODY OUT OF STEP BUT JIM"

But if the little fellow falls out, what will become of all the big fellows?

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THE BIG THIEF IN THE FACTORY

POWER-LOSS MENACING OUR NATURAL RESOURCES

By EDWARD G. ACHESON, Sc.D.
(*Past President, American Electrochemical Society*)

EVERY industrial plant in the country using mechanical power is housing a sneaking, skulking thief. It is quite generally known he is present, but very few realize the extent of his thefts. This thief, to whom we have given a personality, is the ever present "friction," a force which acts to resist a sliding motion. His thieveries run into stupendous figures. Leonard Archbutt of England in his treatise, "Lubrication and Lubricants," states, "It has been estimated that the total horse power of all the steam engines at work in the United Kingdom in 1905 was not less than ten millions and that considerably more than half of this enormous amount was consumed in overcoming friction." This is a startling statement and one hesitates to accept it as altogether correct. However, tests made of power losses occurring in a number of factories in the United States have been made, and the estimate given by Mr. Archbutt has been fully confirmed.

Mechanical power is the life blood of the factory and when it ceases to flow the machines stand idle—production stops. It frequently happens that a little increase in available power without a corresponding increase in fixed and overhead charges would enable a manufacturer to convert a losing business into a profitable one, and in any event his profits could be increased. Hence it becomes an important matter to look after this thievery. It cannot be entirely eliminated, but it can be reduced much below the existing conditions as they prevail throughout the country. Is it not surprising that we should remain content to have more

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than one-half of the power transmitted from the engine to a line shaft dissipated in the bearings before the delivery of the power at the point of useful work? This thievery of the power is taking place in each bearing of the shafting and machines where it appears as heat never to be recovered. The amount at any one bearing may be, and usually is, trifling, but in the aggregate it amounts, as above stated, to more than one half of the total power. Occasionally this loss at any one point increases to such magnitude that the so-called "hot bearing" is produced, and only then is serious attention given to the reduction of the friction.

We burn coal for the production of steam; convert the potential energy into mechanical power; start the power off over the shafting and rest satisfied with the theft of one half of this energy, which means one half of our coal is being totally lost in a manner that can never be recovered and this, too, after much money has been expended in converting its latent energy into mechanical power.

FRICTION ROBBING THE MANUFACTURER

THE manufacturer exercises great care in guarding the profits he derives from his business and loses no time in putting them in a place of security. These profits represent the earnings from the useful employment of perhaps 45 per cent of the mechanical power that is being developed in his manufacturing plant, the remaining 55 per cent having been stolen by the silent but ever present thief—friction—and dissipated as heat in the bearings throughout his factory. Not much if any thought is given to this great loss; no serious investigations are undertaken to see if at least a portion of it cannot be saved. The manufacturer may know he has a fine equipment, that his shafting is in good alignment and is carried in bearings of the latest and most approved pattern, that the machines driven by the power are of the best design and construction; he always sees that a good, clear oil of the proper viscosity is used, an oil that has been recommended to meet his requirements by the representative of a well known oil company. What else can he do? He sees no way out of the difficulty and

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so rests content with 55 per cent of his coal consumption, plus the labor and fixed charges entailed in converting it into mechanical power, continuing to be a total loss. But the loss does not stop with these items, for there is the frequent repair of worn out bearings which sometimes necessitates the shutting down of the factory while being made. He may even have a serious fire to the extent of burning down his plant as the result of an overheated bearing, for statistics show a large part of the fire losses in factories are due to hot bearings. Mechanical engineers and designers of machinery are familiar with this condition and many efforts have been made to meet it; hence our bronze, babbit and various anti-friction bearings, but the results obtained have not cured the great evil. Roller and ball bearings are a decided improvement, but their original cost is great and in many cases prohibitive.

EVOLVING A NEW POWER-SAVING LUBRICANT

IT is a very commendable act to cry, "Fire! fire! fire!" at the moment of discovery of a conflagration, but the act of preventing or extinguishing the fire is much more commendable. In like manner the calling of attention to these power losses may be a worthy act, but the actual saving of the power, or a large part of it, is a more worthy one. With the idea of accomplishing this end, extensive experiments were undertaken and continued through a long period, with the final evolution of a new lubricant composed of petroleum lubricating oil carrying in diffusion a small amount of a pure, unctuous, electric furnace graphite which had been reduced to the colloidal state. The presence of the colloidal graphite gave promise of producing a superlative lubricant and one that might possibly materially reduce these excessive power losses occurring in the factories throughout the world.

The results obtained in the preliminary tests were so remarkable, a clear explanation of the reason for its great efficiency was urgently called for. Careful experiments were conducted by eminent authorities for determining the

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facts in the case, and, without entering into any detailed description of the plans of these investigations, the results may be given very briefly as follows:

The friction with its resulting loss of power was reduced 25 per cent or more when oil containing colloidal graphite was substituted for oil in a bearing carrying a load of 150 pounds per square inch. Experiments were then undertaken to determine how much was required for efficient lubrication as compared with oil and it was found the supply could be reduced to one third of the amount required of oil when the same lubrication was being provided for. These remarkable results called for an explanation and a further investigation showed that so long as the colloidal graphite remained in the oil its presence was of no value; also that during the running of the shaft in the bearing a part of the graphite left the oil and entered the metals of the shaft and bearing, producing new bodies—the original metals plus colloidal graphite—which were vastly superior to bronze, babbit or any other anti-friction metal heretofore known. The combination of the graphite and the metals in its character might be likened to the amalgam of mercury and gold. It was not simply a matter of filling the open pores of the metals with graphite, but the graphite entered molecularly into the body of the metal and the surface produced by this union is now called a graphoid surface.

SCIENCE TO THE RESCUE

THESE tests were made under ideal conditions and it was decided to make a practical test under the supervision of competent engineers. A pattern shop in a large iron-working establishment was selected as a good place to demonstrate what the value of colloidal graphite might be. The test covered the period between June 11th and July 3rd, a total of twenty-two days. The shop machinery with the main line and counter shafting was driven by a 35 horsepower motor, and 19.9 horse power, or 56.9 per cent of the motor's capacity, was consumed in driving the shafting and machinery while running idle, that is to say, without doing

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any useful work. This 56.9 per cent of the power was the toll paid to friction. The line shaft was 105½ feet long with a diameter of 2 7/16 inches, and it was supported in 14 ring oiled bearings and ran at 270 revolutions per minute. The remainder of the shop was equipped with the very best shafting and machinery and, all told, might be taken as a model for equipment and operation. Very careful and extended tests were made of the power consumption while using the oils that had previously been regularly employed in the shop. Colloidal graphite was then added to oil of the same kind and this mixture was introduced in all the bearings of the shop in the same manner in which the oil had previously been used and, after operating the plant for several days in order to be sure the colloidal graphite was thoroughly worked into the bearings, the power was again carefully measured and it was found that the amount of power required to run the idle load was reduced from the former 19.9 horse power to 16.4 horse power, thus showing a saving in lost power of 17.71 per cent. But this was not the only gain, the speed in the line shafting having increased 2.59 per cent so that the actual saving was approximately 20 per cent of the former loss.

A test made in another factory showed the power required to drive the line and counter shafts when running idle was 21.52 horse power when using plain oil, whereas on the substitution of oil to which colloidal graphite had been added for the plain oil, the power consumption was reduced to 15.06 horse power, showing a net saving of 30 per cent of the lost power. During a test that was being made in a third factory, the fact developed that the amount of power required to start up machinery from a state of rest was 40 per cent greater when oil was being used as a lubricant than was the case when colloidal graphite had been added to the oil. Should this same result be obtained by the introduction of colloidal graphite in the oil used in railroad car journal lubrication, the saving in railroad operation would be very great as any given locomotive would start a much longer train and haul it with equal cost, or, if desired, much

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of the fuel could be saved when hauling a train of the former length.

VISCOSITY OF OILS AN EXPENSIVE ITEM

IN all the tests referred to the colloidal graphite was added to oil of the same brand and viscosity as the oil it was compared with. This plan of test entirely ignored an extremely important fact, viz., that the viscosity of an oil plays a very important part in the toll we are paying to friction. Careful investigations conducted by an eminent and well known authority proved conclusively that the friction load, or in other words the power losses due to friction, when carrying a load of 70 pounds per square inch and lubricating with colloidal graphite added to an automobile cylinder oil, were reduced approximately 40 per cent when the same lubrication was performed with a lubricant formed of a fuel oil having a viscosity differing but slightly from kerosene. From these results we must conclude that viscosity which is so necessary in lubricating oils is a very expensive item in factory operation. There are evidences that go to prove that the viscosity of an oil is due to petroleum fat. Without the presence of this fat, the petroleum would be useless for lubricating as it is this fat that keeps the metal surfaces separated and causes their slipping, but, unfortunately, this same fat causes the internal friction in the oil which appears as friction load with resultant loss of power.

To reduce, or to do away with, this internal friction and still do lubrication with the oil, might be aptly expressed as the act of eating one's cake and still having it. The mixture we are considering practically overcomes the difficulties as the introduction into the oil of colloidal graphite in the amount of one fourth of one per cent of the weight of the oil, produces no measurable increase in the viscosity yet at the same time it provides efficient lubrication as the result of the formation of the graphoid surface with its unequalled anti-friction qualities.

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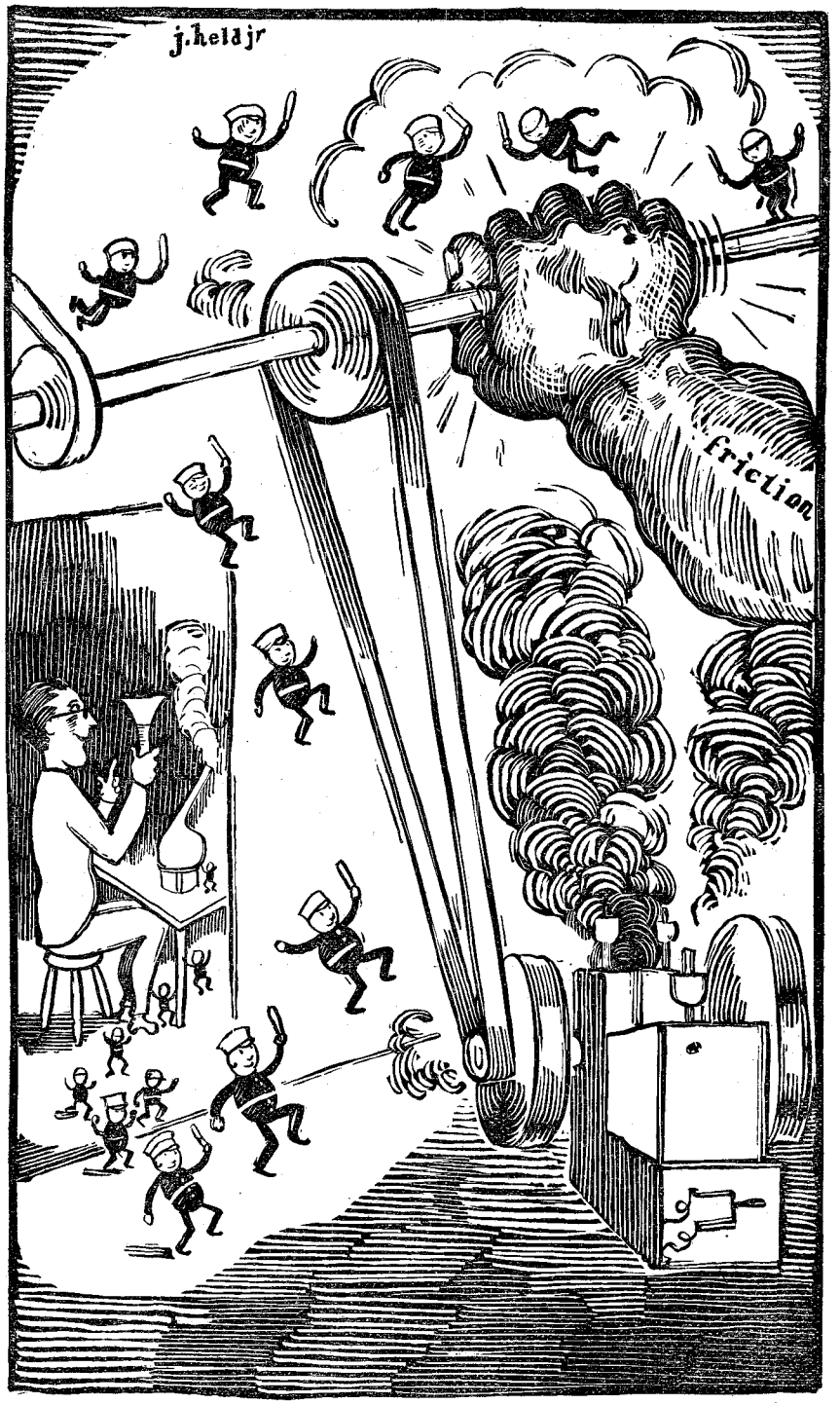

"The Thief in the Factory"

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NEW LUBRICANT SAVES COAL AND PETROLEUM

CONDENSING this entire subject of lubrication to its shortest and clearest terms, we find as follows: the depredations of the thief to be found in every factory are, when employing oil as a lubricant, reduced to a minimum by the use of an oil of the lowest viscosity capable of carrying the load thrown on it; the change from any given oil to the same oil containing colloidal graphite will cause a saving of 25 per cent in the loss of power; and also a change from the use of a viscous to a non-viscous oil will still further reduce the thievery, and this can be carried to the extent of saving 50 per cent of the power loss which occurs when using a viscous oil. Carrying this back to the coal pile, we find it possible to reduce the fuel consumption 25 per cent, an item much greater than the entire cost of lubrication.

Using petroleum converted into this suggested lubricant would not only save coal, but it would make it possible to save two thirds of the lubricating oil as now used. These great savings would naturally appear as decreased cost of production to the manufacturer, and he could pass this advantage on to the customer as a decrease in the price of the article he sells. A great national benefit would be the conservation of our petroleum and coal, and considering the fact that we are receiving warnings of the exhaustion of our petroleum resources within the next sixteen to twenty years, and the exhaustion of our best grades of coal within fifty years, this conservation would be of paramount importance. With these facts before us, is it not imperative that every promising means be tried out without delay to lessen, if not avoid, these predicted disasters? If the means herein suggested will not meet the requirements, others should be devised that will; for, of all our natural resources, that are essential to our national welfare, petroleum and coal are the two of greatest value.

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WHY WE SEIZED GERMAN PROPERTY

By ATTORNEY-GENERAL PALMER

"The interests of American citizens are left unaffected by the Treaty, but in addition every kind of protection that could be provided has been given to such interests. Furthermore, the United States Government has the power in its decision to go still further and to pay various American claims out of the enemy property in its hands."

NO feature of the great war was so radical a departure from precedents apparently well settled as the invasion of private rights and private property. For many generations all the civilized nations had come to accept principles based upon the desire to alleviate the hardships of war, whereby hostilities were confined to governments and the military forces, leaving practically unaffected the civilian population and their rights. It had come to be generally agreed that as to private property on land, although belligerents had the right to confiscate it, that right had properly fallen into general disuse.

The late war brought a wide deviation from these principles and produced great changes in the policies of all the nations engaged in the war. In countries invaded by our enemies, they systematically carried off enormous quantities of private property, from the complete equipment of factories to the petty household goods of the peasants, often ruthlessly destroying what they could not take away. It is probable that pillage in war cannot be regarded as unusual or unexpected; but the systematic and complete manner in which it was carried on by the Germans was not only unexpected but was sufficient to warrant the conviction that the ruthless robbery of private individuals, the

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destruction of private property, and the seizure of private businesses, constituted a part of the official policy of the German government determined upon at the very beginning of the war as an effective means of crushing its enemies.

Possibly the most interesting and far-reaching feature of this departure from settled policies was that which had to do with the taking over of business and enterprises in enemy countries. Conditions following soon upon the beginning of the world war brought to the attention of all of Germany's enemies the great danger involved in what has come to be known as Germany's "Industrial penetration" of other countries. Her use of branch business houses located in every country in the world not only to aid active military operations by supplying information and spreading propaganda, but also to destroy, cripple and debauch the industry of the invaded countries, brought the world to a correct understanding of Germany's great plans in building up an army sufficient to conquer, subdue and control the world—an army whose industrial and commercial wing, spreading throughout all the civilized world, was intended to be quite as potent a factor in bringing about the desired result as the military wing itself.

We do not know definitely what has been done with American property in Germany. We do know that the ordinances and orders authorizing the seizure and sale of French, Belgian and British property in Germany were specifically applied to the property of American citizens. We have received information that many American properties have been sequestered by the German authorities and that some of them have been liquidated. We are also informed that factories belonging to American companies have been converted and used for the manufacture of munitions. But we have no complete data as yet. On the other hand, the German government has announced several times that the American property in Germany is intact and can be restored to the owners. Unless our information is wholly erroneous, however, this statement is not correct, although it is probable that most of the American property in Germany is capable of being restored.

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CASE OF AMERICAN OIL WELLS IN ROUMANIA

VERY striking evidence that Germany has not told the truth with respect to the treatment of American property is found in the case of American oil wells and properties in Roumania, as to which proof has been produced to show exactly what happened. When the Germans occupied Roumania, they proceeded to carry out preconceived plans of taking over for themselves and their allies, private property in Roumania. To accomplish this, the German military supreme command issued orders from time to time, which were published in the official bulletin, of which I have original copies.

On the 10th of February, 1917, General von Mackensen prescribed the sequestration and forced administration of enemy enterprises generally, and on the 27th of July, 1917, he made an order authorizing the liquidation of all enterprises in which British, French or Belgian nationals directly or indirectly had a predominant interest, or which were, or had been, administered or supervised from British, French or Belgian territory.

On the 12th of March, 1918, the later order was made applicable, by way of retaliation, to enterprises in whose property American nationals have directly or indirectly preponderant participation, or which are managed or supervised from American territory, or were so managed or supervised up to the outbreak of the war. The same holds good of American interests in the enterprises. Branches, agencies, warehouses, successions, real estate, as well as property of any kind, are regarded as enterprises under this regulation. Corporations in which American nationals are preponderantly interested are regarded as American enterprises under this regulation.

This regulation is a characteristic German document. The measures are said to be taken "by way of retaliation." At the date, however, the Alien Property Custodian not only had not made any sales, but had no authority to make any, except to prevent waste. The amendment under which liquidations or sales by the Alien Property Custodian sub-

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sequently were made was enacted the 28th of March, 1918. Thus appears another proof of German intelligent foresight, for they knew what we were going to do even before we knew it ourselves—and "retaliated" in advance.

AMERICAN COMPANIES FORCED TO LIQUIDATE

ON the same date, March 12th, 1918, a further order was made, ordering the enforced liquidation of two American companies engaged in the manufacture, sale and export of petroleum. Subsequently, these companies and all of their properties, lands, oil wells and concessions were transferred to a new German company which had been organized for the purpose of exploiting oil in Roumania. Thus were transferred to a German private company, by private sale, American properties of very great value, estimated roughly as in the neighborhood of $80,000,000.

The consideration payable for the properties was not finally determined, but was left to the decision of three named persons apparently German. But the consideration was payable in Berlin in lei.

I must here digress in order to explain what were the lei in which the consideration was to be paid. In October, 1916, before Roumania had been fully occupied, the military authorities of Germany, Austria and Bulgaria met at Berlin for the purpose of discussing, among other things, the economic utilization of Roumanian territory. It was concluded to divide the properties and revenues in Roumania. It was first decided that the following goods were of the first necessity: mineral oil products, food supplies and fodder, raw materials for all purposes, wood, machines, labor and horses. It was decided that machines, factories, work-shops and installations should be given to Austria-Hungary: Germany, Turkey and Bulgaria, however, receiving such machines as were necessary to complete their munition factories, and Turkey receiving the machines necessary for her textile and leather industries. A division of the mineral oil was agreed upon; and the wood, after the needs of the army of occupation were provided for, was to be divided in equal portions.

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Then came the question of payment. It was obvious that goods and products would be hidden, and not offered by the population unless paid for. It was therefore decided to begin by paying for supplies and only to conscript them later, because in that manner greater amounts could be obtained. But even payments to this extent would be embarrassing, because, if marks had to be sent to Roumania, the Reichsbank would have to make fresh issues and that method it was stated would create a critical situation.

HOW CONFISCATION WAS CAMOUFLAGED

FINALLY, after long discussions, this method was devised: There existed in Roumania a bank, owned by Germans, called the Banca Generala Romana. It was decided to grant this bank the right to issue bank notes in Roumania, which would be established as legal tender in Roumania, by military order, and thus be available to make all necessary payments. The security for the new bank notes, which were express in the Roumanian currency, lei, was to be constituted in form by the deposit of marks at the Reichsbank in Berlin, at the rate of eighty marks for one hundred lei. But the deposit was to be retained in Berlin, and it was agreed that, at the conclusion of peace, Roumania should be required to secure the new currency and to release the deposit. I now quote from a translation of the original text of the minutes of the meetings: "By this means, the entire deposit would be returned to those who had paid it in, and the allies (that is the Central Powers) would receive the imported goods eventually without cost."

This program, adopted in October, 1916, was faithfully carried out. The orders issued by the German supreme military command in Roumania authorized the creation of the new bank notes, made them legal tender, required their acceptance by everyone, and prescribed penalties for non-acceptance. Furthermore, the German authorities resorted to various devices in order to obtain the exchange of the existing Roumanian currency, which was secured by gold

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deposits, for the new bank notes. This they succeeded in doing in large measure, and the gold-secured currency which they obtained was carried off to Germany, leaving Roumania flooded with a worthless currency without any real security.

True to the original program, the treaty of Bucharest proposed by the Germans but not finally ratified by Roumania, contained a clause requiring Roumania to assume the new bank notes "in consequence of which the credits and deposits with the German Reichsbank for their covering, may be released."

"STAGE MONEY" THE CONSIDERATION

IT was in this worthless stage-money that the consideration for the American properties was payable, and, as a consequence of all these devices and schemes, the German company obtained the American properties for nothing.

These transactions were expressly ratified in the Bucharest treaty. Of course, when the changing fortunes of war made it possible, Roumania subsequently annulled them.

Another instance occurred in Belgium. Prior to the German invasion of Belgium an American company owned a large supply of gasoline and oil, which was stored at Liége in reservoirs which the American company held under lease from a German company. When the Germans were approaching, the Belgian government required the destruction of the oil to prevent it from falling into the hands of the enemy. There was no time to do otherwise than destroy the oil and the reservoir together and this was done by or at the command of the Belgian Government.

Later the German company, the owner of the reservoirs, brought suit against the American company for the destruction of their property and sought to attach a fund of three million marks belonging to the American company on deposit with a Belgian bank. The Belgian courts refused to entertain the action. Then, after America entered the war, a German sequestrator took possession of the fund. Later, on somebody's orders, the sequestrator, a government official, transferred the fund to Berlin, the German company brought a new suit against the American company.

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in Berlin, and the court ordered the money paid over. Thus we have two instances where American property was confiscated, but by skillfully camouflaged methods.

What have the Germans really done to American properties in Germany? In the knowledge of the instance cited, when the Treaty of Peace came to be written, it was obviously our duty to provide as far as possible against every contingency, and to afford to American interests every protection that could reasonably be exacted.

So far as the United States is concerned, it may be said that the Treaty makes provision for the disposition of two classes of property. One is the enemy property in this country, and the other our property and rights in Germany. As to the latter, Germany agrees that American property rights and interests shall be restored, and Germany further agrees to pay any loss or damage in case such restoration is not made.

STATUS OF AMERICAN PROPERTY IN GERMANY

THIS obligation on the part of Germany prior to the war would scarcely have needed security; but now Germany has incurred such very heavy obligations by way of reparation that it is doubtful whether, at least for many years, she can find means to pay any other foreign obligations, since the reparation payments are made a first charge upon Germany and all property therein, it is obvious that the additional obligations to pay claims of private citizens on account of seizure or liquidation of their property in Germany, would be worthless unless supported by security. The theory adopted in the Treaty is that Germany should pledge the property of its citizens abroad with each country respectively for that purpose; that is, Germany pledges the property taken by the Alien Property Custodian, as security for the payment of the claims of American citizens whose property has been taken by Germany, and authorizes the United States to apply the security accordingly. However, if Germany keeps her promise, and makes good the announcements respecting American

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property in Germany, this particular pledge need not be enforced by us.

The results of the Treaty provisions are that if American creditors cannot collect debts from the Germans, the United States Government has the right to pay them out of the funds which it has received, and the same obligation requiring the German government to repay its nationals exists as in the case of other property. It has doubtless collected already the money which will enable it to do so.

The matter of private contracts received a great deal of consideration by the Peace Conference. Those countries that had been plunged suddenly into war with Germany, in the midst of all their complicated business relations, had concluded that, in the interests of all concerned, executory pre-war contracts between enemies should be annulled. For them the war had lasted over four years, and the chances that such sweeping concellation of contracts would work injustice in individual cases, were supposed to constitute a negligible factor in view of the great advantage of determining, once and for all, in a definite manner, the legal status of all contracts. Consequently, the governments of those countries were satisfied to assume the possibility of having to compensate their nationals in individual cases on account of the supposed great general advantage.

The situation of the United States, however, was different from those countries. The general war had lasted for two and one-half years before America entered it. During that time it is undoubted that commercial and business relations between the United States and Germany had largely become adapted or reconciled to war conditions, and furthermore, that contracts which had been made since the commencement of the war, must have been entered into with the possibility of the United States becoming a belligerent, as an element of the contract.

Under our laws, as a consequence of the state of war, some classes of contracts were dissolved and others merely suspended during the war. Our decisions hold that those

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contracts in which no public interest was involved, and the performance of which was not rendered inequitable on account of new conditions produced by war, it would be unjust and inequitable to disturb.

The American Peace Mission took the position that the general cancellation of all existing contracts between American and German citizens, which were in force when the United States entered the war, would in many cases constitute an unnecessary and unjustifiable interference with private relations, would entail unknown results, and might bring upon the United States Government unknown claims, possibly of very great amount, and would be contrary to the spirit of our judicial decisions.

Consequently, the United States was expressly excluded, together with Japan and Brazil, from the operation of those clauses requiring the cancellation of contracts. On the other hand, it was deemed proper that as to disputes which might arise with regard to such contracts, American nationals should not be obliged to resort solely to German courts. They were, therefore, given the right of access to a new tribunal with a neutral president.

CLAIMS ON ACCOUNT OF WAR ACTS

IMPORTANT provisions of the Treaty are those which release the United States Government and its agents from claims on account of war acts. This is a very extensive subject and covers especially two important classes. The first class includes the use of German patents and inventions which the United States Government found it necessary to disregard in preparing for and carrying on the war, especially in the manufacture of ordnance and wireless apparatus which was installed upon its vessels as a protection against the submarines. The second class includes claims for damages which might arise from the prohibitions of the War Trade Board. Dealings with certain persons were proscribed by the so-called "black list," and this entailed a disregard of contractual obligations in various ways. Claims on account of these proscriptions will

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undoubtedly be made against the United States and its citizens, but the Treaty goes as far as possible in requiring Germany, for itself and for account of all its nationals, to waive all such claims. The Treaty also contains provisions releasing the Government and its agents from all acts in seizing or dealing with enemy property. It is not thought that these provisions are particularly important for the United States, since the Trading with the Enemy Act fully covers the subject. It will perhaps save some litigation and possibly diplomatic representations, however, to have the same subject covered by the clauses of the Treaty.

To summarize, a brief statement of the effect of the Treaty on private interests is as follows:

The interests of American citizens are left unaffected by the Treaty, but in addition every kind of protection that could be provided has been given to such interests. Furthermore, the United States Government has the power in its discretion to go still further and to pay various American claims out of the enemy property in its hands.

THE ROAD TO CHRISTMAS

By MARGARET E. SANGSTER

Dear, tell me where the road to Christmas lies,
And we will take that pathway, hand in hand;
And, where the flaming gold of sunset dies,
We two will find, again, our promised land—
The world will seem a silver drift of snow,
And we, upon the horizon's far rim,
Will see red holly bushes, row on row,
And proud young hemlocks—green limb touching limb.
And, dearest, while the whole earth seems to sleep,
A star will rise triumphant as a flame—
And, in a silence that is warmly deep,
Your voice will falter as it speaks my name.
And where the mistletoe is still and white,
Your lips will turn the darkness into light.

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PUTTING THE GOVERNMENT ON A BUSINESS BASIS

A BUDGET-SYSTEM TO STOP WASTE

By PERLEY MORSE, C. P. A.

ANOTHER Liberty Loan is in sight, warns Secretary Glass, unless a curb is put upon Congressional extravagance in the matter of ill-considered, wasteful appropriations—"raids" upon the Treasury. The deficit for the current fiscal year, he says, will reach $1,000,000,000, and rigid economy by the United States will be imperatively necessary for years to come. To dam the Niagara of wastefulness, Secretary Glass advocates a budget system.

With the same purpose in view—that of putting an end to Government waste of the people's money—Senator Wadsworth, the United States Senator from New York, is preparing a bill, the object of which is to put the Government of the United States on a business basis. Of course no one who has the faintest inkling of how the people's money is spent in Washington dreams that our Government, in the handling of its funds, resembles in the slightest an efficient, up-to-date corporation. Of course, everyone knows that the tax-payers' money, the revenue, is squandered; that extravagance, graft, stupidity and cupidity revel in a riot of spending. To attempt today to trace down the average dollar of the people's money which is poured into the Government's coffers, is almost an impossibility. All these things Senator Wadsworth purposes to remedy with his bill, and, if the bill is passed, they will be remedied. For the first time our Government will be on a business basis; for the first time the people will get their money's worth.

The Wadsworth Bill, now in preparation, provides for the creation of a new official—an Auditor General of the United States and eleven Deputy Auditors General. They are to be appointed by Congress, to hold office for life, or

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during good behavior, and are liable to removal only for cause, after a hearing, and by a three-quarter vote of both the House of Representatives and the Senate. This Auditor General would have power to appoint as many Assistant Deputy Auditors General as might be necessary to do the work of his department, and power to employ accountants, engineers, lawyers and other experts as may be needed. He would also have power to hold hearings and take testimony in Washington and elsewhere, power to subpoena witnesses, books, papers and documents, and to administer oaths.

From time to time, various bills have been proposed with a view to bettering the financial administration of our country. None was practical or served the purpose. All failed to put a proper amount of power in the proper place. All ignored that which a strict interpretation of the Constitution demands: to wit, that all legislation to produce revenue must originate in the House, and that Congress is, by the Constitution, the responsible financial branch of the Government. This responsibility has never been placed in Congress. The Wadsworth Bill places it there.

You are familiar with the Government's financial system today? A cabinet head, say the Secretary of War, goes before the Military Committee of Congress and asks for an appropriation of a certain amount. Everybody who knows Washington knows that a Secretary generally asks for more than he needs, knowing that Congress will cut down the amount; and that Congress generally cuts down the amount knowing that the Secretary has raised the estimate, expecting it to be cut down. Congress does not know today to a dollar what any department should be granted as an appropriation, and, when an amount is granted, and is later spent, Congress does not know what became of the money. Congress has no means of knowing, except to rely upon the word of one of these executive branches of the Government. Congress cannot know because it has no means of its own whatever of finding out; not forgetting that by the Constitution Congress is the responsible financial branch.

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Under the Wadsworth Bill, Congress would for the first time have the proper machinery to ascertain how much a department should receive and then how the appropriation was spent. Every cabinet officer, at or near the beginning of the fiscal year, would have to file a requisition with the Auditor General for a certain amount of money to carry on the work of his department. The Auditor General would make an immediate investigation of this request. His corps of trained accountants, engineers and other experts would be able to tell to a dollar whether the amount asked for was within the bounds of reason or not. Through this common sense, business-like procedure the Auditor General would be enabled to draw up the annual national budget and lay it before Congress, which would then see the way clearly in the vital matter of voting the proper amount of money for each department. Every governmental expenditure would have to have the approval of the Auditor General, and Congress would rely upon him in making every appropriation.

You are familiar with the Pork Barrel? You know that millions of dollars are drained out of the Government Treasury by bills introduced in Congress to create public work in the locality of some office-holder's political constituents. You have heard from time to time of expensive Army posts being built in sections of the country which made them of absolutely no strategic value? You have heard of millions being poured into the improvement of Navy yards located on bodies of water so shallow as not to permit a modern dreadnought to enter them? You have heard of harbor and river improvements being made, of millions of dollars being spent on worthless enterprises? Those abuses comprise the Pork Barrel!

The creation of an Auditor General would knock all the staves out of the Pork Barrel. Were a Congressman to introduce a bill for the erection of a post office in his home locality, the Auditor-General would immediately investigate. He would have power to send his experts right to the town where the proposed post office was to be erected. He

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would have power to subpoena witnesses there, to take testimony given under oath, to determine if the post office were necessary and what it would cost. He would make his report to Congress accordingly, and Congress would make the appropriation or not. In this way, one item of political perquisites that rolls up an appalling large total of the taxpayers' money would be properly put under a curb.

Have you heard of the river in Texas into which several millions of dollars were poured? An appropriation was made to dredge this river so that it would be suitable for navigation. Some army engineers, who were highly trained men, investigated and discovered that there wasn't enough water in the river even to float a ship. So, putting their tongue in their cheeks, the engineers suggested that, after the dredging had been done, artesian wells could be drilled and enough water possibly pumped into the river to float a ship; that power stations could be erected and that the river could be kept filled whenever it was desirable to make a trip on it. That is not exaggeration. Money was appropriated for the dredging of just such a river. With an Auditor General advising Congress as to such proposed projects, they would become impossible. He would have sent his engineers directly to that river the moment the bill for dredging it was under consideration; and Congress before voting on it would have had expert information as to whether or not the project was practical. Not only rivers, but harbor improvements, have drained hundreds of millions out of the Government Treasury.

He would also be able to inform Congress accurately as to the available revenue on hand and what could be expected and the ways and means of raising revenue. Then, having received from the various department heads an estimate of their requirements, having investigated these, and determined the proper amount of each one, he would make up the budget for the Government and report to Congress, showing them exactly what was necessary to spend in running the business of the Government and what revenues they could count on.

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For the first time, it would provide for the keeping of a general set of books of the United States. The Auditor General would take the word of no department head. He would audit all receipts and expenditures. His experts would approve each voucher and check it into the accounting books of each governmental department or activity. Also, he would examine and approve all contracts involving the expenditure of money made by any department. With a fearless, honest man, possessed of a backbone like a lamppost, in the office of Auditor General, graft would be almost impossible. The waste of millions of dollars in every department due to senseless expenditures and more evil expenditures, would be at an end.

In Washington, most of the departments overlap each other. All have half-way systems; all are tied up in extravagant red tape which necessitates four persons doing the work of one. It would be the Auditor General's work to reorganize each department, to make an immediate investigation of all departments so that he could install a competent workable accounting and business system in each. Also the Auditor General would be responsible to Congress for the proper working of the system of accounting in each department. Washington is filled with overlappings of activity, with duplication of records, with a resulting double expenditure being charged against the Government.

During the war a certain office in Washington received a request, from the A. E. F., for a large number of stenographers speaking a foreign language. The office that received the request immediately began a nation-wide hunt for such stenographers, and, after many weeks of effort, and the expenditure of many thousands of dollars, they found about one fifth of the required number. Almost around the corner from this office, there was another governmental activity which had in its files a list of hundreds of stenographers filling the exact requirements that its neighbor in inefficiency was so vainly seeking. Under an Auditor General's centralizing activities, a case like this would be impossible. He would put a system into the War Depart-

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ment which would be sufficiently elastic to stretch and meet the strain placed upon it by the heavy load of war. During the present war, the accounting system of the War Department was so bad that it had to be changed three or four times before the Armistice was signed. The result is that it is next to impossible to trace anything of financial significance in that department today.

With an Auditor General making a detailed report to Congress as to the receipts and expenditures of each Governmental Department or activity, calling the attention of Congress to irregularities or delinquencies in the various departments or certifying to the correctness of their accountants, Congress would know exactly how the Nation's money was being spent.

If Senator Wadsworth's bill is passed, it will be the biggest step forward in efficient Governmental management that our country has ever made. It will enable the affairs of our Government to be conducted with the efficiency and absence of graft, stupidity and waste that characterize any of our big and successful corporations. The bill would create one of the strongest branches of our Government. It would reduce the expenditures of our Government by about 50 per cent. This would reduce our taxes. It would have a most beneficial effect upon the sentiment of unrest which is abroad today throughout the country.

Also, the people would have an assurance that the financial burden they were shouldering was not being dissipated. There would be the same satisfaction among the people of the United States that there is among the stockholders of any properly managed corporation, which is watching the little leaks that run into large sums of money so quickly and which is conducting its affairs in a way to make its shareholders believe that it is a privilege to be of them.

The war "sold" the United States to the American people. The war pulled all the loose ends of our Nationalism together and, under the emotional, fusing qualities of patriotism, they were held together until peace came. During the emergency of war the attitude of our people toward the spending of huge sums of money was "Never mind the

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expense. Get results. Win the war." It was beneficial to the national morale that most of our people did not stop to think that hundreds of millions of dollars were being wasted because of the un-businesslike methods of the Government and that with peace would come taxes; that it would be the people who would have to pay for this inefficiency.

Today, glad that the war is over, the spirit of America is, "Let's get down to work." The spirit of American business is bitterly against extravagance. Will our people, exercising the most rigid economy in the conduct of their own business, look with approval upon a wasteful business as conducted by the Government?

Senator Wadsworth's bill seems to clarify the situation. If it becomes a law the disturbing things of the situation will disappear. For with the power of the proposed Auditor General, with the fact that he is answerable to Congress and to Congress only, it will be possible to curb all wastage of the people's money. It will make our Government as efficient in its financial dealings as any of our large well-managed corporations. It will create respect instead of derision for "the way the Government does things." It will "sell" the United States to its people on the basis of a good business proposition; for emotionally, of course, the people are already "sold."

Also, for the first time in American history, it would vest the financial responsibility of our Government where the Constitution says it belongs—in Congress.

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WHAT WE MUST DO

A FARSIGHTED ANALYSIS OF THREATENING ISSUES

By ELBERT H. GARY

In this article Judge Gary suggests to the thinking American a rational economic, industrial and international policy such as will establish an acceptable and permanent equilibrium during reconstruction and readjustment processes.

IN the demand for reconstruction and readjustment there is universal inquiry as to what can be done towards ascertaining and establishing an equilibrium which shall be generally acceptable and prove to be permanent. Many of the immediate international questions growing out of the war have, in the main, been settled, or methods for their settlement have been approved by the Peace Council at Paris. It will for the present be assumed that the work of that Council, in substance, will be ratified even though there may be some additions, explanations or reservations to the original draft, not materially affecting the main plan and structure.

Of signal importance there is to be considered by the people of the United States their attitude towards other countries. We have been provoked to feelings of anger and hostility towards the Central Powers and their associates in the war. What shall be our attitude toward them? We would not benefit ourselves or others by indulging sentiments of hate or revenge. It is not necessary to forget or to forgive, certainly unless there is repentance on the part of those who are guilty of moral turpitude, but we should at least be sufficiently wise to consider the ultimate effect upon our own interests of unnecessary antagonisms.

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SHOULD RESUME BUSINESS WITH BELLIGERENTS

FROM an economic standpoint, considering of paramount significance the question of benefit to ourselves, we ought to resume business relations with Germany and Austria at once. They are capable of producing many articles of commerce which we need and desire, and which are not produced elsewhere in like quality, much as it may be regretted. There are at least two good reasons why we should liberally resume the buying of German and Austrian goods. We desire them to supply our wants, and besides the purchases will have a decided influence in re-establishing the rates of international exchange. We should seek and fully reciprocate the friendship of all other nations whenever it is compatible with principle. We should, if practicable, be neutral as between all other countries if we are to have their respect and confidence. Our position should be uniformly honest, dignified, kind, impartial and in all respects above reproach.

The subject of international exchange, with its present dislocations and discrepancies, is troubling the minds of the great bankers and they must solve these problems. The existing irregularities and inequalities cannot be corrected by mere dictum or desire. The shipment of gold is not a cure or a considerable palliative. Agreements for readjustments will not suffice. It would seem to the ordinary observer that in some way we must get back to the original basis of determining relative exchange rates, namely, one of respective credits. If one in New York were desirous of paying a debt in London, and another in the latter city at the same time desired to pay the same amount in the former, there would be no difficulty in establishing a fair rate of exchange; and if this equality of credit and debit could be maintained the whole problem would be solved. The practical application of what has been remarked to the international situation is that the United States, so far as possible, should finance other deserving countries less fortunate in rehabilitating their productive capacity and resources, and that we should purchase their products up to the limits

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of our requirements and ability. Also, that our investing capitalists, through bankers and otherwise, should buy the securities of foreign concerns, the payment of which might be guaranteed by their respective Governments. Thus will we evince our friendship for others and at the same time advance our own interests.

The early adoption of the American dollar as a basis or standard of currency and values is worthy of universal consideration. Much could be said in favor of the suggestion.

FREEDOM OF SEAS FOR ALL

OF great consequence to all countries is the opportunity to import and export supplies of all kinds in exchange for other commodities or money, unrestricted as to location or by discriminatory legal provisions, established rules of business or practices of any kind, so that all shall be on the same basis of privilege. Discussions relating to the open sea, or command over or control of the sea, have frequently been confusing. Interpretation of language has been unnecessarily literal and misleading. A fleet of ships, largest in capacity and fastest in movement, may exercise a predominant influence in international trade, but every nation may provide itself with the best, limited only by its financial ability or policy, and there can be no reasonable objection to the success which follows enterprise and expenditure. The underlying principle is that all the navigable waters and all the ports of entry and shipment connected with these waters, should in times of peace be free and open to everyone on equal terms and conditions; and that there should be continued in force laws and rules to insure these advantages.

It is doubtful that in practice and method the high seas and seaports heretofore have been as open and free as commonly supposed; but we have entered upon a new era. We are reconstructing, reorganizing and rebuilding, and must start right. There must be straight thinking and action.

RACE QUESTIONS AND TRADE WARFARE

ANOTHER international question of moment pertains to race or color. By some it is considered delicate,

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but to the average person in the United States and in other lands, it appears to be of practical import, calling for frank and fair discussion. It is social and economic, and has no proper place in partisan politics. There are various viewpoints. If we were to pass only upon questions relating to international right, comity or friendship, it is difficult to perceive why the United States should permit to locate here the citizens of many different countries, which might be mentioned, and who have been allowed to immigrate without restriction as to numbers, and at the same time deny the right to others simply on account of their race or color. It is possible that if comparisons as to intelligence and general merit were to be made between those who are denied that privilege, the advantage would be found in favor of the latter. If we were deciding the inquiry as to pecuniary profit to this country to be derived from the largest production and further development of enterprise, then in that case, unquestionably, all restrictions concerning immigration, based on color or race, should be removed. But if the paramount reason for limitations is found in a just and reasonable claim that to admit them would be to encourage, and indeed make certain, the residence here of an overwhelming multitude of certain foreigners with resulting effects that would be inimical to the best interests of the whole or major part of the American people, then there might be a reasonable restriction as to numbers determined by our domestic laws applicable to all nationalities. Doubtless all nations, through their duly constituted representatives, would agree to this. It would seem to be appropriate for the League of Nations, when completed and adopted, to pass upon these matters by unanimous vote, without unnecessary delay, after a full hearing upon the merits.

The inhabitants of other lands are looking towards us with various emotions; some with envy or jealousy, some with distrust, perhaps some with bitterness, and some with covetousness; but, it is believed, the large majority with friendliness, confidence and hope. However this may be, when it comes to economic considerations there is little doubt that the peoples of every country are at present en-

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deavoring to ascertain how they can most readily improve their pecuniary standing by reconstruction and readjustment; to secure their full share, or more, of the wealth of the world; and foreigners are gazing upon this country as the most fertile field of adventure and exploitation. The contest for commercial position and progress will be fiercer than ever before, with the difference, it is hoped, that there will hereafter be an international tribunal which will exercise supervision over the conduct of individual nations and will restrict all of them within the limits of law, reason, propriety and justice.

CO-OPERATION OF VITAL CONSEQUENCE

IN justice to ourselves, we must be diligent and aggressive. We must conserve our strength and our resources. We must view the world situation from the point of experience, caution and wisdom. We should profit by the deliberations, discussions and conclusions of others. As of vital consequence there should be the most consistent and intense spirit of co-operation between all our people, between capital and labor, employers and employees, between the state and private interests, between the various groups of individuals or collection of individuals, between producers and consumers, between professionals and non-professionals. Good-natured rivalry, sharp competition, aggressive effort for legitimate success, faithful administration and observance of the laws, loyalty of country—all these must be encouraged and required; and everything that destroys or obstructs or interferes with legitimate enterprise, or limits prosperity, or that tends to minimize the motive for attempting to accelerate and sustain orderly progress in business, should be discouraged.

MUST HAVE MERCHANT MARINE

AS a guaranty of the fullest reasonable economic success, including domestic and export business, we must have a merchant marine equal in every particular to the best, with all advantages and no disadvantages in comparison with others, unhampered by laws, rules or regulations which might interfere with practical and successful

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business operation. We must be prepared to deliver the surplus of everything we produce at the doors of non-producing countries in packages and on terms satisfactory to those who desire to purchase. Our merchant ships must never again be compelled to haul down the American flag, or to occupy an inferior position in the international struggle for economic excellence and advancement. Americans, if given an equal chance with all others, will furnish business to comfortably support a merchant marine surpassed by none. If the League of Nations shall remain in effective force, it is hoped a large navy for the enforcement of legitimate civil rights may not be necessary; but still, the United States should maintain a navy of sufficient strength to protect her commerce in every part of the world in times of exigency.

LABOR AND BOLSHEVISM

THE labor question at present is of commanding interest, first because labor is essential to economic growth and virility, and second because it is persistently sought by self-appointed leaders to enlist the sympathy and support of workmen in agitation for the substitution of the rule of force for the rule of law and reason. It is commonly designated as Bolshevism. These agitators will not succeed in the United States. It may be observed that the antidote for this poison is plenty of work at reasonable rates of compensation when compared with the cost of living; healthful, safe and agreeable working conditions; opportunity for workmen to advance in positions according to merit; and a chance to invest their savings in the business with which they are connected. The employers must not and will not give the employees good ground for complaint, and intelligent public sentiment will exercise a controlling influence in preventing a return to barbarism. Employers and employees are under equal responsibility to the general public, of which they are an important part, to assist in maintaining industrial peace and prosperity. A scientific readjustment should be attempted.

Sound economy admittedly is proper and necessary at this particular time. There should be no actual waste.

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Other countries will economize, some to the point of unhealthful privation. We need not and should not go so far. Our Government expenditures made during the war amounted to millions upon millions. The annual interest charges will be enormous. To provide these amounts and the extraordinary increases in governmental expenses, burdensome taxes will be imposed. They are now very large and are increasing.

TREATMENT OF ACCUMULATED CAPITAL

ON the assumption that all the natural resources and facilities of the United States, in peace times as well as during war conditions, ought to be used to the best advantage, it is believed a fundamental question to be discussed, considered and decided at present, is the treatment of accumulated capital, or wealth, in the hands of private individuals or private corporations. The experience of the eighteen months preceding and ending November 11th, 1918, should be of enlightening value, for the lessons learned by practical demonstration are always superior to untried or unsatisfactory theories.

But now the question occupying the thoughts of men, to a large degree, is what, if anything, can properly be done to conserve these means of economic stability and progress when war is not upon us, and, let us hope, not threatening our future safety. The general public, including labor, which receives 85 to 90 per cent of the cost of production, is vitally interested in this subject.

It is useful, while discussing a problem in contemplation of future action or inaction, to illustrate by negative reference what ought not to be done.

There are reasons why governmental management will not be successful. To reach the highest efficiency in the development and operation of any enterprise there must be personal, pecuniary incentive to succeed. There must be individual attention, thought and decision which ponders over the difficult and complicated problems by day and night and then solves them with a view of securing personal benefits for self or principles represented. Whatever is

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everyone's business is no one's business—a common expression, but applicable.

The ideal plan merely for the extension of enterprise, development of resources and the certainty of greatest production, with resulting increases to the public treasuries through taxation, assessment of dues, etc., and a corresponding benefit to the large numbers of workmen, would be to leave the matter entirely and independently in the hands of the private individuals who furnish the necessary capital and who would be inspired by the desire to reap pecuniary advantages. However, it is a patent fact that the ability of capital to accomplish desirable results also involves opportunity to do harm; that uncontrolled concentration of capital, with unbridled license in operations, may be injurious to the welfare of others, including the general public. All fair-minded, well-intentioned men, will admit that the public interests must always be of primary importance, that there should be a curb upon the cupidity of human nature.

If the Legal Department of the Government, basing action on its interpretation of the law, had been upheld in its contention, unlimited by the rule of reason, as applied by the courts to the industries of this great country, property and business in an alarming proportion would have been destroyed and its benefits to the general population eliminated in the effort to prevent future harmful practices.

Proceeding on the assumption that large capital is desirable and necessary for the safety and legitimate progress of the nation, and yet that it must be controlled against possible harm, we are confronted with what has appeared to many to be a difficult problem. It should be met and solved now if we are going to conserve our vitality and strength; if we are not to weaken or neutralize it at this junction in world affairs when we are called upon to pay enormous debts, to finance our own necessities and to assist our neighbors across the seas, to maintain a state of preparedness against possible, though not probable, future wanton attacks, and to aid in maintaining the peace of the world to

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the extent of using force, if and when necessary, all of which will require billions of money. Can we hold our position, and are we to be included in clear thinking, wisely concluding peoples? Shall we profit by the experience of the past and by the example of others?

RESTRAIN CAPITAL BY INJUNCTION

WHY not have the law so framed and administered as to allow the courts to cover the whole subject by injunction, rather than by the destruction of property or business? If capital is proceeding or threatens to proceed, improperly, it can be restrained by injunction and the order enforced in the regular way. A court of equity should have, if necessary, enlarged powers of preventive remedy, unlimited by statutory provisions. If there is to be punishment inflicted it should be upon the individuals who are reprehensible, and not upon the owners, as stockholders or otherwise, of the properties involved, who are in no respect responsible for misconduct.

If it be said that preventive measures by injunction are too late after there has been established unreasonable concentration of capital, which naturally and necessarily includes the power to do harm, or that in the administration of affairs pertaining to organization or management there is involved too much detail or complication for practical hearing and determination of a court, then it might be answered that there should be no objection to the whole matter of previous assemblage of capital by corporations, form of organization, or management of affairs being subjected to the consideration and decision of a competent nonpartisan tribunal, consisting of men selected for their peculiar qualification defined by the creative law, having adequate jurisdiction and powers, however, to appeal and a final determination by a Federal Court concerning certain defined and vital questions pertaining to monopoly and restraint of trade. A law for Federal incorporation of license could embody provisions for the control or regulation suggested. This might satisfactorily solve the problems relating to concentrated wealth in control of corporations.

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Those in general charge of large business units are quite willing to meet these questions in a spirit of fairness, justice and loyalty to the public. The present conditions are not satisfactory.

We have reason to hope that, in this country at least, all classes will be treated impartially and justly; that there will be a spirit of sincere co-operation between labor and capital, calculated to preserve the rights of each, faithful effort on the part of both to render full justice to the general public, and a fixed national program which will encourage full development and conservation of the economic strength of the United States. Capital and labor both will be fully employed on a basis that will be fair to each and also to all others, and on a scale of returns that will provide an incentive for investment, development and exertion, and this will insure the largest production at lowest reasonable cost. This will tend to decrease living expenses, increase the comfort and contentment of the people and add to the riches of the nation, which relies on the prosperity of its citizens for the standing and influence among nations to which it is entitled. There will be no necessity, time or desire on the part of the vast majority for listening to the vicious doctrine of self-appointed agitators. The extension of education, art, science and moral growth will follow in due proportion. We shall set a good example to all the world. Anarchy and brutality will give way to reason and justice.

This is not the worst period of our history; it is the best, for it looks forward to a future that is bright and glorious if we but rise to the heights of practical advantage.

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THE CLOSED SHOP —TO THE BAR

THE COURT'S OPINION ON THE RELATIONS BETWEEN EMPLOYER AND EMPLOYEE

(*Concluded from page 529*)

JUDGE MAYER'S LETTER TO UNION COUNSEL

ONE of the four men before named, whose firm, sane, and fair-minded executive action materially strengthened the determined stand taken by Governor Coolidge and Judge Gary, is Judge Julius M. Mayer who, presiding in the United States District Court in New York City, met the employer and the employee face to face in the recent labor troubles of the street and subway transportation lines in New York City and Brooklyn.

Before going into the continuity of events that brought about threats and disorder during the strike on the Brooklyn Rapid Transit System it will be sufficient to quote a letter written by Judge Mayer to Mr. Louis Fridiger, counsel for the interfering union organization known as the Amalgamated Association of Street and Electric Railway Employees of America. It was this organization that, operating in a similar way as the union of the United Mine Workers of America operated in West Virginia, came under the displeasure of the Court owing to its unconstitutional methods of intimidation and disorderly conduct.

This letter of Judge Mayer's is more than merely a judicial opinion academically rendered. It is the kind of letter that any man with deep convictions concerning the human rights and wrongs involved might have written, but it becomes vastly more important under the frank signature of the Court presiding in this case. It is this letter that has won for Judge Mayer national recognition, that has placed him before the country as one of the four vigorous and independent defenders of the constitutional rights of the employer and the employee.

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The organization mentioned in the letter as The Brotherhood of New York Railway Company Employees was a group of men which, having formed themselves into an independent union of employees, declined to affiliate themselves with any other union, and peaceably appointed a committee to present the case of the employees to the Receiver of the railway. Judge Mayer's letter to Mr. Fridiger follows:

"DEAR SIR:—

"You have requested an answer to your letter of August 16th.

"I am certain that the people of the City of New York are sick and tired of strikes, bickerings, misunderstandings and confusion. I propose to make my meaning as clear as I can.

"The Brotherhood of New York Railways Company Employees has been loyal to the public of New York and to this Court and its Receiver. It has not at any time struck or threatened to strike. It respectfully asked for a reasonable wage increase and waited until I had the opportunity to examine and consider the request and announce my conclusion.

"While these employees were running the so-called green cars during the strike under the stress of great difficulty, your clients were endeavoring to disrupt their organization. The Brotherhood of New York Railways Company Employees very naturally protested to the Receiver against such a course and the Receiver, under date of August 14th, answered the Brotherhood in man fashion, saying, among other things:

> "'I will direct the manager to discharge any employee who interferes with any member of the Brotherhood in the discharge of his duties or who disturbs him in any manner for the purpose of breaking up the Brotherhood. You are entitled by law not to be interfered with by false statement, threat, intimidation, assault or otherwise. You are entitled to my assistance and shall have it.'

"The Receiver's answer has my approval.

"The Brotherhood has asked for a conference with the Receiver today and, on the question of wages, the Receiver is directed to deal direct with the Brotherhood.

"In conclusion I beg to say that if, notwithstanding the earnest effort of this Court and its Receiver to preserve this property for the public and for the thousands of people who have put their money into it and can ill afford to lose it, you or your clients cause a strike, the blame will rest where it belongs and in this strike, so far as I am concerned, there will be no compromise until it is determined whether or not law-abiding employees are to be left alone and whether or not the public will countenance interference with their necessity and convenience by those who insist on disrupting a lawful, orderly labor organization such as the Brotherhood of New York Railways Company Employees.

(Signed) "JULIUS M. MAYER,
"DISTRICT JUDGE."

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EMPLOYEES' RIGHTS TO FORM UNIONS

IN this case the Court, being the administrative authority over the property, and having appointed its Receiver, also became the constitutional defender of the property rights of the employer, as well as the defender of the labor rights of the employee. The Court's approval, therefore, of the independent organization of the Brotherhood of New York Railways Company Employees establishes the right of individual employees in any industry to associate themselves together into a lawful union, lawful because they represent exclusively the employees of the company and are not affiliated with any outside unionization scheme.

The history of the B. R. T. strike is briefly as follows:

Judge Garrison was appointed Receiver of the Brooklyn Rapid Transit System in December, 1918. The War Labor Board had made certain rulings in respect of this system, one of which was that the employees should be at liberty to join a union if they so desired, but that the employer could refuse to treat and deal with any committee but committees of his own employees. This was the condition when Judge Garrison, as Receiver, was in charge of the management and operation of this transit system. In April, 1919, certain of the employees of the B. R. T. who belonged to the Amalgamated Association of Street and Electric Railway Employees, formed a committee which formulated certain demands in regard to increase of wages, and other matters, and sought an interview with Receiver Garrison. This association is a National Association affecting street railway employees throughout the United States, and a member of the American Federation of Labor.

The Receiver refused to see this committee, making clear that he would see a committee of the employees, but not a committee of members of this union, selected as union representatives. It was a problem similar in character to that of the suit brought in West Virginia by the Hitchman Coal Co.

A strike was then threatened but, before the threat was put into execution, a committee of a dozen or more employ-

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ees called upon Judge Mayer who had appointed Receiver Garrison and in whose charge rested the administration of this problem. Judge Mayer took the position that any citizen was privileged to present any matter to the Court, that the doors of the Federal Court were always open to hear any grievances, and to that end the Court heard various members of the committee, who voluntarily appeared before him. The Court, after hearing the committee and their counsel, stated that he sustained the Receiver in his attitude in reference to the particular committee in question, because there was no showing that the committee represented the employees at large. The Court pointed out that the Receiver had stated that he, the Receiver, would be glad at any time to receive any committee truly representative of the employees, or of any group of employees; that is to say, a committee representing the conductors, motormen, divisions of shopmen and the like, according to occupation. The Court stated that such a committee or committees thus truly representative would at all times be received and heard by the Receiver, who would discuss with them and give careful consideration to their grievances. No strike then ensued.

SETTLING THE B. R. T. STRIKE

IN August 1919, however, a committee, different in personnel, but similarly constructed in principle, made in effect the same general demands upon Receiver Lindley M. Garrison, and he adhered to his original course. A strike was then called by the members of the Amalgamated Union and went into effect at 2 A. M. on the morning of August 6th. On the morning of August 9th, Judge Mayer called a conference, inviting thereto the Mayor of the city; Mr. Nixon, Public Service Commissioner; Mr. Delaney, Transit Construction Commissioner; Receiver Garrison; P. J. Shea, the organizer of the Amalgamated, who was the directing general of the strike, and the attorney for the Amalgamated, Louis Fridiger.

This conference began at 3 P. M. by a hearing in open court. The claim made on behalf of the strikers was that

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more than half of the employees belonged to the union he represented and that the committee which had called upon Receiver Garrison represented therefore the employees, in that they represented a majority of the employees. Mr. Nixon then suggested that if this were a fact a basis of settlement of the strike was presented. At this point a conference was suggested by the Court.

At 9 o'clock in the evening (August 9th) the following settlement had been reached and signed:

"That the pending strike be called off at once and the men return to work at once upon the following conditions:

"1. That if it is established to the satisfaction of Judge Mayer and Public Service Commissioner Nixon that at midnight, August 8, 1919, employees of the Brooklyn Rapid Transit System eligible to membership in the Amalgamated Association were enrolled members of said association to the extent of over fifty per cent of such employees so eligible, then the Receiver will entertain the grievances presented by the committee headed by Mr. E. D. Smith or such substitutes for such committee-men as may be properly substituted in place thereof, according such committee at least the same recognition as is now accorded the Brotherhood of Locomotive Engineers.

"2. The Receiver will receive the committee presenting the grievances, and take the same up with such committee, and with such advisers or counsel as such committee selects.

"3. In the event that such grievances or any which may hereafter arise cannot be adjusted by and between the receiver and the committee, they will be arbitrated by a board to consist of P. J. Shea or his nominee, and Lindley M. Garrison or his nominee, and if necessary by a third member to be mutually agreed upon by said Shea and said Garrison; and in the event of said Shea and Garrison being unable to agree upon a third member, and so stating to Mayor Hylan and Commissioner Nixon, the two gentlemen last named shall thereupon designate the third arbitrator.

"4. All parties agree to abide by the decision of the said arbitrators.

"LINDLEY M. GARRISON
"P. J. SHEA
"LOUIS FRIDIGER."

Witnesses:
JULIUS M. MAYER
JOHN F. HYLAN
WILLIAM P. BURR
LEWIS NIXON
FREDERICK P. ROYCE

The position of the Brotherhood of Locomotive Engi-

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neers, referred to in the strike settlement agreement, is as follows:

The subway and elevated motormen were not members of the Amalgamated Association, but the Brotherhood of Locomotive Engineers, a well known national organization. The B. R. T. had theretofore recognized any committee of such Brotherhood as a committee of employees, not, however, as a committee of a union. This strike-settlement agreement, therefore, was in the nature of a compromise where both sides made concessions under the stress of public interest and necessity.

The provisions of the strike-settlement agreement have, up to this time, been observed by both the employers and the employees.

INTERFERENCE BY NATIONAL UNIONS

THE contagion of unrest, the flare of a strike, spreads, and there followed the strike of the employees of the I. R. T., including the subway and elevated systems of New York. Although this was subsequently settled by Public Service Commissioner Nixon upon an agreement that there should be a 25 per cent increase in the wages of the Interborough System solely, it reveals the influence of "strike movements" upon employees who are not affiliated with any unions. This strike was called by the organization of employees which did not belong to any national union, being the employees of the Interborough System solely. The Brotherhood of New York Railways Company Employees was also an organization having no relation with a national union, and it was entirely loyal to its employer, viz., the Receiver, Job E. Hedges, who had been appointed in March, 1919, by Judge Mayer. It was a national union, the Amalgamated Association, which began to threaten a strike on the New York Railways System. This was a situation which presented a sharp and clear issue.

Were employees of the New York Railways System who were satisfied with their own organization, and who had the fullest measure of collective bargaining with their employer, to be forced to join the Amalgamated Union, or

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were they to be permitted to have their own employees' organization intact, with all the customary features of such a body?

The Court and the Receiver firmly decided that the integrity of the employees' organization, representing solely the New York Railways System, should be preserved.

The fundamental issue in these cases which came before Judge Mayer was whether or not the national union should be officially recognized in presenting any grievances of employees under employment, not of the union, but of an employer under relations satisfactory to employer and employee. Furthermore, the New York Railways threatened strike gave an important illustration of the fact that the employer would gladly support loyal employees in their demands if they refused to recognize outside organizers who were seeking to break down a voluntary organization of his employees.

Here again we find the attitude of the Court obviously opposed to the organized interference of national unions with the rights of non-union employers and employees to conduct industry without a conspiracy of incorporated unions.

It appears also, from the constitutional rulings of the courts, that the closed shop at the bar does not emerge, according to indisputable evidence and judicial opinion, with clean hands.

The restrictions on the closed shop are only those restrictions that the law imposes upon the integrity of private contracts entered into between employer and employee.

JUDGE MAYER SUGGESTS A REMEDY

THE chief matter for thought, therefore, in this review of the judicial viewpoint of the closed shop, or the open shop, concerns the employee, which means labor *in toto*. In this delicate adjustment of the differences of viewpoint between union and non-union employees, Judge Mayer has proposed a remedy, based upon the constitutional authority that grievances of all classes should in fairness be presented

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by a committee representing all the employees of the system, and not by a part of those employees.

In his address from the bench to a group of employees during a settlement of a strike situation in New York, the Judge said:

> "If a suggestion is made as to the fairness of the selection of such a representative committee or committees as you may determine—and when I say you, I am speaking of the entire body of employees—if anyone is concerned about the fairness, my idea is first that the employees, if they so desire, shall work it out themselves in their own way. If that is impracticable, I am perfectly willing and would be more than glad to suggest the names of three or five or some appropriate number of citizens of unquestioned standing in the community, whose names should first be submitted to the employees to satisfy them that these were impartial men, and let those men supervise any meeting or election or anything else at which every employee in the group concerned, or at large, as you may decide, would have an opportunity to express his opinion; and I should have a general election, if I were to have my way and you were to follow my advice, a general election conducted very much on the same plan as we do our general elections in November, to assure the selection of representatives that you would be satisfied were not in any manner influenced or controlled by the management, and on the other hand to satisfy the management that the employees themselves would act with entire fairness."

This view is in no sense new, having long been held by many large employers of labor.

This is opposed by the national unions because it is claimed that, in many instances, the employees need the assistance of national officers because the employees have not the ability to cope with the employers. This argument is fallacious, so far as it applies to large organizations, for the reason that in such organizations there are always employees of marked ability, fully capable of presenting any interest and arguing for the justice of their demands or grievances.

Another argument of the unions is that the employees of a particular employer are not able to successfully win a strike unless they have financial and other aid from outside sources, or affiliated organizations to carry the strikers while the strike is on. This is a fairly debatable point, but under present conditions many employees are forced to join unions whether they desire to or not.

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LEGAL RIGHT TO MAINTAIN OPEN SHOP

LAYING aside the broader economic questions, it is quite plain that under the Constitution of the United States, and under the decisions of the courts, an employer has an absolute constitutional and legal right to maintain an open shop if he so desires. Such a course is consistent with the fundamental principles of American government. The employer may, however, if he pleases, under the doctrine of the Hitchman Coal Co. case, and many other cases, discharge any employee who joins a union. Whether this course is wise or not is a question involving economic principles and labor policy, but not involving any unsettled question of law, because the law is now settled on that point.

The ideal to be attained is a full, fair and unhampered opportunity on the part of the employee to lay his grievances, in such circumstances, before his employer, and in such manner as to make clear that the demand or grievance is the real demand of the employee himself and not the accelerated or artificial or false demand put forward at the instance of outside agitators.

It is the outside agitator who is quite as responsible and indeed more so than the unjust employer for the misunderstandings which have so often led to strikes and other serious consequences.

Climbing still further to the ethical heights, which are by no means unscaled by the vast army of employees in industry, we discover an element of good will, which is fully recognized by the Court, which concerns the justice of all contracts. No better definition of this necessary relation between employee and employer has been given than the following opinion of Justice Pitney in the Hitchman Coal and Coke Co. case:

> "An employer is entitled to the good will of his employees, irrespective of the fact that they are employed at will and that the relation is terminable by either party at any time; he is entitled to the benefit of the reasonable probability that, by properly treating them, he will be able to retain them in his employ and to fill vacancies which occur from time to time, by the employment of other men on the same terms. It is unlawful for a third party

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having knowledge of this relation to interfere with it without just cause or excuse."

In any interpretation of the present labor situation one can only convey the impressions of the courts upon a national problem of such importance. One cannot escape, however, the very clear impression that so far the closed shop, with its malicious and organized interference with the constitutional rights of individual contracts between employer and employee, when brought to the bar, is found wanting.

And the reliance that the courts may be depended upon as the fearless deciders of the right and the staunch bulwarks of law and order has had of late no better confirmation than the action of United States District Judge Anderson in the recent coal strike.

The universal approval of his decision by the people at large, is the latest proof that "we've turned the corner in all this industrial upheaval of the nation."

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THE THEATRE IN REVIEW

By C. COURTENAY SAVAGE

Shakespeare—and the Return of the Sotherns

THE chief interest of the fall theatre season has naturally centered on the return to the stage of Henry H. Sothern and Julia Marlowe. They chose for their limited repertoire three of their most finished performances, "Hamlet" for Mr. Sothern, of course, and "Twelfth Night" and "The Taming of the Shrew," both of which allow Miss Marlowe to appear at her best. Sothern and Marlowe, as they are familiarly known, bring to the stage a distinction, an authority, that has grown to be peculiarly their own, through their years of conscious study of the Shakespearian characters. In a measure, they must be considered great, but it would hardly be fair to classify either of them with a superlative. Mr. Sothern's *Hamlet* has a forceful interpretation, but it is not as commanding as that startling performance given by Walter Hampton. Nor is Miss Marlowe's *Katherine* as fine as the mellow memory of seeing Ada Rehan in the part. It is, however, interesting to note the varying shades of humor that have crept into the interpretations these players are giving. Their "Taming of the Shrew" was played almost in the spirit of burlesque—as if they were thoroughly enjoying making their audiences laugh. Certainly it was a happy hour for the American drama when Miss Marlowe (apparently fully recovered in health) and Mr. Sothern decided that they would play one more season. The company that they have gathered is very adequate, and the new setting rich and beautiful. Incidentally, it is to the credit of the theatre-going public to learn that in a metropolitan season of four weeks the box-office demand was so strong that approximately $100,000 were paid for seats.

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Comedy!

OH, what a chance to laugh is offered by new plays! And what a variety of performances! For instance, it is possible, if one is lucky, to buy a seat for Ethel Barrymore's inimitable performance in Zoe Atkins' fragile comedy, "Declasse." Here one finds good manners, handsome gowns, and Ethel Barrymore bringing to the leading role a finesse that is charming. The play itself is a trifle, but its lines are bright and well-spoken. When one leaves the theatre there is a feeling of having eaten much whipped cream as a dessert—but then some people like whipped cream.

One gets another type of dessert at Mr. Belasco's production, "The Gold Diggers," in which Ina Claire arrives at stardom. This new piece by Avery Hopewood is a story of the chorus ladies of a great city—or, to be more exact, a certain type of chorus girl. The type depicted lives in flashy apartments and "digs gold" for their necessary expenses from the pockets of wealthy admirers. Sounds rather a shady plot, doesn't it?—but, of course, it isn't. There are a few lines that may shock the unsophisticated—that is, if they are sufficiently sophisticated to understand the vernacular of Broadway. There is a romance, of course, with Miss Claire as its very charming heroine. However, she is not allowed to keep all the honors of the evening for herself. Jobyna Howland—that statuesque lady who has a decided sense of comedy—is quite as interesting as Miss Claire, while Bruce McRae and H. Reeves Smith play two of the gentlemen from whom gold may be dug. But why did Mr. Hopewood write the play about chorus girls of this type, when the real story of a chorus girl who attempts to live on her thirty-five dollars a week, would be so much more typical and possibly more interesting?

The "Character" Comedy

A VASTLY different type of humor is Barney Bernard's really remarkable characterization of *Abe Potash*. *Abe Potash* is fast becoming a *Rip Van Winkle*. He has progressed his uneven way through four plays and there is no reason why he should not go indefinitely on. His new play

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finds him without his cloak-and-suit partner, and deep in the politics of a small town. He has his sputtering, lovable wife, *Rosie*, of course, also a son and daughter who cause him considerable trouble. It is a story of crooked politics, and while the drama becomes tense at moments the spirit of comedy prevails. There are many people who do not care for Mr. Montague Glass' Jewish characters, but there are an overwhelming number that do, and they will welcome Mr. Bernard and Mathilde Cottrelly in their latest domestic quarrel.

Vastly different in theme, but as typically American as *Potash*, is the latest Irvin Cobb story to arrive on the stage. It is called "Boys Will be Boys" and dramatizes the adventures of *Judge Priest* and *Peep o' Day*. The unfolding of the story depends largely on the characterizations of the varying people necessary in the telling. *Peep o' Day*, an almost worthless village character, has had no boyhood, and when he inherits a fortune he spends his interest and time with the children of the town—seeing that they do not miss the joys of which he was deprived. A local lawyer decides that if he can prove *Peep o' Day* insane, it will be possible for him to get control of the fortune. He hires a "vamp" to aid him—and there is a trial. The ending is naturally a happy one. The story serves the stage better than any other of Mr. Cobb's narratives to reach the theatre in play form, and introduces in the role of *Peep o' Day* a new character actor of rare ability, Harry Beresford, who, rumor says, came into prominence after years of labor in the cheap companies and the vaudeville stage. The play, by the way, is from the pen of an actor, Charles O'Brien Kennedy, now playing with the Barrymores in "The Jest."

More Bedrooms

"THE Girl in the Limousine" is one more bedroom farce, very funny, and very well acted by a competent company, including John Cumberland, one of the best farceurs of the American stage, and, recruited from the motion-picture world, Doris Kenyon. It might be possible to write a column about this play and not say more than that it will

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have a decided appeal to those who care for entertainment of this type for it is truly amusing.

Another bedroom farce, but this time bearing the subtle stamp of the London stage, is W. Somerset Maugham's new play "Too Many Husbands." It is very funny in spots, also very well characterized by some of the actors. It tells of a young woman, who, believing her husband dead in the war, marries his best friend. Of course, Husband No. 1 appears on the scene and the punch of the play arrives when it is discovered that neither man wants the lady for a wife—and that she has her eye on another man. Lawrence Grosmith and Kenneth Douglas have crossed the ocean to play the husband, and are very clever. Estelle Winwood, an English actress who has gained a certain popularity in this country plays the heroine, and her habit of mouthing her lines make her inaudible at times. The play is sure of a prosperous run, for it is cleverly amusing.

New Comedies by American Authors

"MOONLIGHT and Honeysuckle," George Scarborough's latest comedy, which serves to show Ruth Chatterton in her first new play in several years, is a dainty bit of comedy concerning a young lady who has several suitors for her hand and cannot decide which she loves. Her solution of the problem is that she will "try them out" and discover which one loves her enough to overlook a "past." This "past" she confesses very cleverly, and naturally the right man declares that he loves her and "nothing else matters." The characterization is not at all difficult for Miss Chatterton, and she handles it deftly. Best among the supporting cast is James Rennie as the successful lover, and Lucille Watson as *Mrs. Langley,* a society woman of the type that Miss Watson has made distinctively her own brand of characterization.

"On the Hiring Line" is the first comedy dealing with the servant question, and as that national question may be the theme of other plays, it must be recorded that future authors will have to be very entertaining if they are to out-

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shine this new work from the joint pens of Harriet Ford and Harvey O'Higgins. The plot discloses a country household with the family doing the work. The lady of the house decides that they must move to town, but the country-loving husband is clever. He calls up a detective agency and orders two men sent to his home, one to act as cook, the other as butler, and in between duties they are to investigate an imaginary situation. Then the fun really starts, for the detectives decide that they must detect, and search for trouble, which is, at times, hilariously amusing to the audience. Laura Hope Crews gives her best comedy vein to the part of the wife who hates the country, Cyril Scott is the husband, and several other equally clever people aid in making the evening memorable.

The Song and Dance Comedies

THE lack of musical comedies to appear earlier in the year has been quite overcome by the recent rush. The most enduring of the newcomers will doubtless be "Apple Blossoms" which can boast of music by Kreisler and Jacobi, with book by William Le Baron. The book is not out of the ordinary, but the music is. It is of a higher variety than is usually found in the realm of song and dance, but at the same time not lacking in popular quality. The cast assembled is of the all-star variety, with John Charles Thomas and Wilda Bennett as the lovers. The production is under the supervision of Mr. Charles B. Dillingham, which means that it is of a decidedly superior order, handsome stage sets, truly beautiful chorus girls and clever people playing even the most minor roles. There is enough comedy to keep the audience in good spirits, but above all Mr. Kreisler's music is the chief attraction.

"The Little Whopper" and "Nothing But Love" are musical comedies of the rather familiar type. They each have rather more story than most girl-and-music plays can boast, but they lack that elusive "something," doubtless coming from stage direction, that is needed to carry them beyond the ordinary mark. "The Little Whopper" is probably the better of the two. It is an adaptation of a

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successful motion picture, "Miss George Washington, Jr.," —and, while there is a minus quality of humor, the singing and dancing are highly effective, and what comedy there is is funny. "Nothing But Love" has considerable humor, well handled by Andrew Tombes. It tells the story of a man who saves a girl from drowning, although he cannot swim. He is the hero of the summer colony, of course, and very bashful and much embarrassed over his false position. Some of the music by Harold Orlob, who wrote the tuneful "Listen, Lester," is interesting, and there is at least one fair voice, belonging to Ruby Norton, to sing it.

"Hitchy Koo," Mr. Raymond Hitchcock's latest blooming of what promises to be a hardy annual, is not quite so clever as its predecessors. Mr. Hitchcock is as amusing as ever, but he lacks the support given him by his comedian partners of other years. The entertainment is satisfying, and there are a number of clever women who parade before the eye in the principal parts, offering a variety of pleasing songs and dances. Sylvia Clarke, from vaudeville, is the best of them.

Modern Minstrels

"ROLY-Boly Eyes" owes its chief bid for popularity to the fact that the very amusing Eddie Leonard is its star. Mr. Leonard belongs to the fast-disappearing "old style" minstrel. He shuffles about the stage in the best Dandy Dick manner and rolls his eyes and his words in a manner quite his own. The music is interesting, and the players who support Mr. Leonard are competent, especially Queenie Smith, who can sing, and who has had her dance-training at the Metropolitan Opera House. "Roly-Boly Eyes" is sure of a certain patronage, and those who care for Mr. Leonard's work will find him at his best.

Another ministrel offering, "Hello, Alexander," brings to the minstrel comedy two of the best liked minstrels of the stage, McIntyre and Heath. They are, as ever, most amusing in their darky interpretations, and have the support of several clever people who can sing and dance.

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The Passing Show

AND then there is a new show at the Winter Garden. This spectacle is rather above the average Winter Garden productions—for it can boast plenty of good fun. This is not the equal to the type of hilarious amusement that Al Jolson has made classic, but it is good slap-stick—and plenty. Incidentally, it serves to really introduce to metropolitan audiences an ex-burlesque comedian named James Barton. Barton is blessed with a sense of low comedy—and funny legs. No matter whether he is a much battered pugilist, drunken gentleman, or a jazz dancer of the time of King Solomon, he is funny—immensely so. For good measure the Avon Comedy Four offer their more or less familiar contribution in the vaudeville style, and Blanche Ring and Charles Winninger are added attractions. "The Passing Show's" satires on the current plays are exceptionally well done, with Winninger and Miss Ring scoring with their burlesque of "The Jest." Mr. Winninger's imitation of Lionel Barrymore is remarkable. Of course, there are several score beautifully gowned ladies of the assembly, some of them a trifle heavy as to weight, but all gifted with good looks—a few tuneful songs, and one or two very handsome stage settings. "The Passing Show of 1919" is above the average and to be highly recommended.

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The Editor's Un-Easy Chair

(Contributions to this department must be addressed to the Editor and should not exceed 1,000 words. Manuscripts should contain addressed envelope stamped.)

The Wrong Way To Christmas

THE annual day of "give and get" is upon us. We speak of it as Christmas but altogether too many of us *think* of it as "Give and Get Day."

Some years ago a Chinese savant, educated in an American university, described our Christmas as "A day when people exchange valuable objects."

He did not call it giving. He did not allude to the articles as "gifts." He defined a gift as that which is given to another out of kindness of heart, with no thought of anything in return.

We have been drifting rapidly away from the true spirit of the day, which is to give joy to others. We have been vieing with each other in doing exactly what the Chinese savant said—exchanging valuable objects. The Christmas shopping lists of these times are fearfully and wonderfully made. They are prepared with all the thought and cunning that a politican uses in making up his slate wherein he must not slight any who have done things for him.

Mrs. Doe declares that she must give Mrs. Roe "something worth ten dollars" because last Christmas Mr. Roe gave her a linen luncheon set that was worth ten dollars. She was sure of it, because she took it to a store and had it valued. Mr. Blank will give Mr. White something worth five dollars because White gave him five dollars worth of cigars last year. Mrs. Gadder cannot be neglected by Mrs. Ramble. Not that Mrs. Ramble cares at all about Mrs. Gadder, rather detests her, in fact, but what can one do? Mrs. Gadder never forgets her on Christmas, so her name goes down on the list for something "worth about three dollars." And wealthy Great-Aunt Martha, whom we have never seen, always sends us something nice. Consequently we must send her something equally costly. Not that we

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can afford it, but then, Aunt Martha is old and as an heir—well, at any rate, it's Christmas, you know.

Of late years the average Christmas shopping list contains a proportion of ten acquaintances to one dear friend. Really we do not care about these people enough to send them gifts. But somehow we got into the habit of exchanging gifts and we are like a person holding an electric battery, we cannot let go—our spirit of resistance is paralyzed. Absurd, of course. We admit it, and keep right on the wrong way to Christmas. Ours is more like a dinner invitation list wherein we take great care to include all those who have invited us before.

SPOILING A GREAT ANNIVERSARY

THIS mad rush of Christmas shopping, of shopping-list making, of going over it carefully and checking off, with a sigh of relief, those names for whom we have bought gifts, is really a form of commercializing the anniversary of the birth of the Saviour, the Great Preacher of the brotherhood of man.

A few years back, the "Spug" movement, or Society to Prevent Useless Giving, momentarily had popular favor, but the old give and get Christmas game was too well ingrained to be crushed. More's the pity, for the Spug idea was good—it prevented the senseless *exchange* of presents among adults, and gave fuller play and more funds to the children. Christmas is the Child's day—a day of symbolism and joy for his young spirit. The wrong interpretation is too frequently put upon the word "useful" as related to Christmas presents for children. On ordinary occasions a handkerchief, a dictionary, a pair of stockings is a useful present. But never on Christmas day! To the child a sled, or doll, is the most useful thing in the world. That which brings joy to the young is the acme of usefulness, for it is the right of every child to be happy. A sled takes the youngster out of doors and down the hillside, shouting in glee. A doll takes the little girl to the sewing basket to make garments for her beloved. Toys that give joy to

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children, train their imagination, take them out in healthy fun—all these things are the really useful gifts.

Christmas is the child's day above all others. It is well to make gifts to loved ones, to genuine friends, so long as you know that such gifts will bring them happiness and not put them under any feeling of obligation. If you find actual joy in giving, then you are on the right way. If you give because you feel that you have to do so, you are on the wrong way—you are commercializing and destroying sentiment.

Never forget the aged. They are living over their childhood, on Christmas day. They need Christmas cheer. Give to them, for that is the Christmas spirit.

These are days of high prices and unrest. These are days of thrift—a propitious moment to drop our senseless, burdensome and costly custom of *exchanging* gifts solely because "they will think us mean or poor if we do not." Give to children, give to the aged, give to those whom you love—and to those who love you—and *stop there!* This will banish commercialism that has been creeping into the observance of the greatest anniversary in the history of Christendom—this will make the true Christmas!

Getting Your Rights

DID you ever see a Korean? He is a tall, rather lanky sort of a man, quite solemn in appearance and, when he is dressed in his Sunday-go-to-meeting clothes, he wears a tall hat with a wide brim and looks for all the world like a Quaker. He rarely ever smiles and is patient and plodding and possessed of an artistic nature. He loves flowers, gold embroidery, laces and fine linen. He is a highly intelligent citizen of the ancient Far Eastern world and his lore and literature go back thousands of years. He clings tenaciously to the teachings of his ancestors, and the onward rush of things in the world has made little impression upon him—except in one way—he wants his rights.

Mr. Korean created many of the arts ascribed to Japan, and was even the originator of various of the Old World's

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most famous bronzes, potteries and porcelains. Mr. Korean is a disciple of Peace, and has never given the world much trouble, although his arts have been stolen, his labor conscripted and his government taken away from him. The only charge that has been made against Mr. Korean is that he is "lazy."

Perhaps he is "lazy" in his long enforced task of working for others, for that has mostly been his lot. His spirit, however, though it has slumbered, has never died and now, in this 4252d year of the Hermit Kingdom, he has awakened and set forth his claim to self-government.

In their "Declaration of Independence," far-away Korea, of 20,000,000 people, with a history dating back 5000 years, has addressed the people of the United States and their own "ancestors of thousands and ten thousands of generations," to aid them to attain their rights, "without violence." In their items of supplication and declaration they say:

> "Let those who follow us, every man, all the time, every hour, show forth with gladness this same mind. Let all things be done decently and in order, so that our behavior to the very end may be honorable and upright."

A WORLD-OLD LESSON

SO much for the lesson that comes out of five-thousand-year-old Korea, in the bondage of a foreign yoke—whether justly or not, will be decided at the great bar of world opinion.

Some years ago an imaginative writer penned a tale based upon a Utopian dream of World Government. Of course, he did not locate it on the terrestrial globe but in a far-away planet which he conceived was older and more advanced than old earth. In his conception of his Kingdom of peace he centralized all thought by a machine called a "Telepholecton," which was a universal receiver and distributor of thought. Every dweller in that Arcadia of Peace of his conception knew by this device just what the other man was thinking about. In other words, there was no secret thought and hence no secrets. At any moment

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any citizen could tap the telepholecton and listen to everybody's and anybody's thoughts—hence people attuned their hearts and minds with just thoughts and right thoughts, and anger and injustice were unknown, for each could read and understand the other's point of view.

The Korean evidently has some such philosophy in his dream of independence. He appeals to the spirit of gladness and calls for his just rights. He seeks to work out his own salvation according to justice and right.

This is the most advanced period in the world's history of Justice and Right. Only, unfortunately, we have no telepholecton to interchange our points of view, and hence a mental and perhaps physical world-struggle is pending. Here we are confronted with one class of people demanding their rights as against another class. We find labor demanding rights; we find the man who employs labor demanding rights and calling upon the strong arm of the Government to protect him, because he is powerless to protect himself when in contention with his employees.

A Christmas Analogy

ONCE there was an unwritten law that might was right; sometimes Government represented might, and sometimes the mass, in organization, took might into its own hands and war resulted Today, all over the world there is a struggle for "Rights," and some day, and perhaps now, we shall have to enthrone Right and settle our labor and capital problems according to the Universal Mind—the mind of all the people working together on what is right and just to all.

And now comes the great thought—the thought that is of equal importance to all who seek their rights—we must not think selfishly if we would settle the great question of right. There is only one way for us to think together and get our rights—we must think of *the other man's rights* in the same brain cell that is thinking of our right. Right must tip the scales evenly. If we put only our own right in the

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balance, it will not profit us, because the other man's right will not be in the scales—and Justice is blind and weighs only in the mind. She gives right when each thinks for the other. Our right is fair and prevails when also the other man's right is considered. Otherwise, there is no permanency in the settlement. Let us go back to China—to Confucius; and then to Christ, both of whom gave the world great tenets of Justice, recorded in the Golden Rule. Confucius said: "Do not unto others what you would not have them do unto you;" and Christ said: "Do unto others what you would that they should do unto you."

If we think in those terms—the terms and point of view of the other fellow—we shall be more likely to get our rights and *hold on to them.*

Industry On Wheels

OF course it is human nature to get all you can for your services. The individual laboring man has been striking, at heart, for many years. He has wanted more. Sometimes he has deserved it and has had hard trouble in getting it. Often he has had to quit his job, and get a new one in order to get more wages. The more modern way has been to organize and quit in a body, hold up the employer, and cripple the industry pending a readjustment of the wage scale. Sometimes this has been well earned by a grasping employer. Sometimes not. However, the right to strike, in privately controlled industry, is pretty generally recognized as an American right. It should be maintained. The laboring man has a right to lay down his tools, also the employer has equally a right to ask him to lay down his tools—and hire a man to fill his place, if he can get one. These are first principles in the eternal economic battle.

To expect that a different condition should exist is to expect the millennium.

There are other issues at stake—other interested parties in this economic battle. The consumer has a right to say something. You are the consumer, whether you are a laborer or capitalist, and in your dual capacity you must

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think in terms of public welfare and rights under the law. Your rights under the law are represented by your government sworn to enforce the law. When the economic battle transgresses the law, the law-breakers must expect to be checked.

When there is a deadlock, something else happens. Industry gets on wheels and starts away to other fields where labor is available. This is labor's new lesson. It is a situation they did not apprehend. It is something for them to think about. They have heretofore been able to pack their goods and hie away to other fields. They were mobile. Factories and shops were not. But in our changing conditions location is not so vital, aside from the question of personal convenience. One city is an office; another is a shop; and *vice versa*. One vast industry not so long ago divided itself into its parts and separated its sites in a dozen cities. It was impossible for a strike to cripple it seriously. Another great industry recently picked up its plans for enlargement and moved 800 miles away, to better shipping facilities and open labor markets. The move cost a city a $10,000,000 industry. It was a hard blow but law and order in that city was weak, politically hamstrung, and easily intimidated by labor in politics. Moving is not so expensive as shutting down, or overpaying. In the case of a big strike in another city, several of its largest labor-employing industries moved overnight—a thousand miles—and moved permanently. This is the new strategy of capital. It is a costly strategy to the city that loses; a benefit to the city that gains. But solves nothing.

Aliens in Labor Unions

GOVERNMENT-regulated industry—transportation, food, licensed manufacturing, shipbuilding, as well as privately owned industries—are embroiled in labor controversies that touch close to fundamental constitutional rights and privileges. In some, perhaps many, of these labor organizations, there are enrolled against the Government War Labor Board awards, aliens. How many is not

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known, as far as within the knowledge of the Un-Easy Chair. It is probable that there are many thousands of non-voting residents of this country who vote in labor organizations. If this is a correct estimate and a true condition, it is a radically uneasy question. We are daily confronted with fantastic plans on the part of agitators to upturn industrial control and manage it through the voice of labor organization, from the bottom. Certain plans and schemes have been announced that presume that the employed is better and more justly able to lay down rules and laws of conduct of business than the employers, whether the employer is the Government, acting under Government regulation, or the individual who built and conducts successfully the industry or business. The argument is fallacious and proven unsound in numerous community plans heretofore experimented with in this country. The un-American factor however is that a non-citizen, a man not responsible to this Government, the subject of an alien flag, should be given a vote in a labor organization striking against a government-controlled industry. Government controls and regulates capital in industry, conditions in industry, but it has sidestepped, or neglected to extend its regulations to organized labor to an equal extent. This is a problem of reconstruction—a step for which the time is NOW.

Labor and Capital must share equally in their responsibilities to Government. The alien has no place in the determination of these activities. He is at best our guest, or our probationer.

"Lest We Forget!"

"AND the Kaiser still lives!"

At least in comfort, and presumably in luxury.

There were probably 2000 people in the audience, men, women and a sprinkling of young people.

First, a hush fell over the audience; second, an exclamation of horror; third, one could hear sobbing here and there in different parts of the great auditorium; fourth, a fearsome stillness, and then a shrill shriek from the galleries. It was as if we were on the sinking ship ourselves.

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The scene on the film was the first authentic picture taken from Germany's secret archives, showing the actual sinking of three steel merchantmen and one full-masted sailing ship carrying their cargoes of human life. They were harmless craft, unarmed, carrying substance. The Hun U-boat ran through the water—it had nothing to fear. Its fiendish crew turned their death-dealing guns upon the ships, one after another. The projectiles hit their marks fore, aft, and amidships, the vessels listed, turned turtle and nosed down into the sea, leaving behind a flotsam of wreckage and human life struggling in the sea.

Behind the monstrous submarine criminal followed another, taking fiendish delight in making a movie of this terrible violation of all that is decent in civilization—of all that is vicious in war.

These films were brought over by Mr. J. H. Mackzum, a Knights of Columbus Secretary. They are being shown throughout the moving-picture theatres in the country. They carry their lesson with them. They call to mind trenchantly and horribly the thought embodied in Kipling's famous poem, ' LEST WE FORGET!"

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THE FORUM

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